



DOCUMENTS DEPT.

CLOSED  
STACKS



BOOK No. \_\_\_\_\_

ACCESSION \_\_\_\_\_

351.5 9a52r<sup>1</sup>

339807

NOT TO BE TAKEN FROM THE LIBRARY

SAN FRANCISCO PUBLIC LIBRARY



3 1223 03407 2414



-142-9

REPORT  
OF THE  
BOARD OF ADMINISTRATION  
San Francisco  
City Employees' Retirement System

For the Fiscal Year Ending June 30, 1923

\*3515  
S a 52m +  
330807

\*3515  
S a 52m +

## I.

**STATEMENT OF THE INCOME AND DISBURSEMENTS DURING THE  
FISCAL YEAR 1922-1923 AND THE ASSETS AND  
LIABILITIES<sup>2</sup> AT JUNE 30, 1923.**

1. Ledger Assets at July 1, 1922.....	\$136,851.32
---------------------------------------	--------------

**Income.**

2. Normal Contributions of Employees.....	\$301,914.43
3. Withdrawn Accumulated Contributions Rede- posited .....	315.88
4. Additional Contributions of Employees.....	159.91
5. Contribution by City to match employees' normal contributions .....	301,914.43
6. Contribution by City to meet prior service obli- gation .....	96,710.01
7. Contribution by City to meet administrative ex- penses .....	8,451.09
8. Interest on Investment .....	13,856.25
9. Total Income .....	723,322.00
10. ....	\$860,173.32

**Disbursements.**

11. Accumulated Contributions Withdrawn.....	\$ 8,390.50
12. Service Retirement Allowances Paid.....	65,045.95
13. Disability Retirement Allowances Paid.....	1,403.61
14. Death Benefits Paid .....	51,208.55
15. Administrative Expenses .....	8,451.09
16. Amortization of Bonds .....	299.23
17. Total Disbursements .....	134,798.93
18. Balance, as per Ledger Assets, Item 24.....	725,374.39

**Ledger Assets.**

19. Cash .....	32,702.64
20. San Francisco City and County Bonds.....	553,862.29
21. United States Government Fourth Liberty Loan Bonds .....	44,191.25
22. Accrued Interest .....	3,917.07
23. Account with City and County of San Francisco....	90,701.14
24. Total Ledger Assets, as per balance in Item 18 .....	\$725,374.39

**Non-Ledger Assets and Deficit.**

25. Present Value of City's Accumulated Contribu- tions to be Released by Death.....	14,469.45
26. Present Value of City's Accumulated Contribu- tions to be Released by Disability Retirement.....	2,267.74
27. Deficit .....	2,820.51
28. Total Assets and Deficit.....	\$744,932.09

**Liabilities.\***

29. Members' Accumulated Normal Contributions.....	\$364,407.63
30. Members' Accumulated Additional Contributions.....	204.26
31. City's Accumulated Contributions, current service..	364,407.63
32. City's Other Accumulated Contributions.....	8,503.34
33. Present Value of Service Retirement Allowances (current service) granted to retired members.....	4,208.32
34. Present Value of Disability Retirement Allowances (current service) granted to retired members.....	3,200.91
35. Total Liabilities .....	<u>\$744,932.09</u>

**Explanation of Financial Statement.**

Item 23.—This \$90,701.14 is the amount due at June 30, 1923, from the city to the Retirement System under the obligation of the city, fiscal year 1922-23, to match employees' normal contributions and to contribute an amount equal to benefits actually paid during the fiscal year on account of prior service. The entire amount of \$90,701.14 has been paid to the Retirement System by the city since June 30, 1923.

Item 25.—The death benefit provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death, (Section 19, Ordinance No. 5561, New Series). The portion of this amount which is chargeable to current service must be provided from the accumulated contributions of the city. While the Retirement System is young, therefore, and before the city's accumulated contributions held for the benefit of a deceased member is equal to this portion of the six months' compensation earnable, the amount actually paid will exceed the amount on hand for that purpose, the excess to be made up in the future by the excess of the city's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years. Credit is taken in Item 25, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1923.

Item 26.—On account of the guarantee of a minimum disability benefit under the Retirement System, (Section 16, Ordinance 5561, New Series) the present value of such benefits granted on account of current service and chargeable against the accumulated con-

\*The liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for Item 32. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the city has definitely assumed the liability for prior service, whatever its amount may be, (Section 10, Ordinance No. 5561, New Series).



tributions of the city, while the System is young, will exceed the amount of the city's accumulated contributions held for the benefit of the members retired for disability. As in the case of death benefits explained in the preceding paragraph, this excess will be made up in the future by the excess of the city's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 26, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Item 27.—The deficit of \$2,820.51 is due entirely to the fact that the interest earned as shown in Item 8 under "Income" is less than the interest credited to the members and the city on the contributions made by them. Interest at the rate of 4 per cent per annum, compounded annually, is allowed on all contributions from the first day of the month following that for which contributions are made. The facts that all the members' contributions are not received by the first day of that month, that the city's contributions are not made until the taxes for the fiscal year are received in the Treasurer's office and apportioned by the Auditor and Treasurer and that two or three days sometimes elapse after the receipt of the contributions before it is possible to invest them, account for the failure to earn the interest required. Since, however, the funds of the Retirement System are invested in San Francisco and United States Government Bonds to yield from 4.35 per cent to 4.60 per cent this deficit will be wiped out.

Items 29-31.—Item 29, \$364,407.63, is the total of all normal contributions (as distinguished from additional contributions) standing to the credit of individual members at June 30, 1923, together with interest at 4 per cent per annum, compounded annually, from the first day of the month following that for which the contributions were made. Normal contributions are matched, dollar for dollar, by the city as evidenced by Item 31. (Section 5, Ordinance No. 5561, New Series.)

Item 30.—This item of \$204.26 is the total of all additional contributions standing to the credit of individual members at June 30, 1923, together with interest at 4 per cent per annum, compounded annually, from the first day of the month following that for which the contributions were made. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the city. The city does not match additional contributions. (Section 5, Ordinance No. 5561, New Series.)

Item 32.—This item of \$8,503.34 represents the city's accumulated contributions released by the withdrawal by employees of their accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligation of the city on account of prior service of members. (Section 7, Ordinance No. 5561, New Series.)

Items 33-34.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the note above, no notice is taken of benefits granted or to be granted on account of prior service.

In General.—Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

## II.

## MEMBERSHIP.

Number of members in Retirement System July 1, 1922	3,145	
Number of employees who became members during fiscal year .....	984	
		4,129
Number of members who withdrew during fiscal year on account of separation from city-service.....	293	
Number of members who died during fiscal year.....	55	
Number of members who were retired during fiscal year	67	415
Number of members in Retirement System June 30, 1923 .....		3,714

The large increase in the number of members of the Retirement System during the fiscal year is accounted for by the fact that a number of employees took advantage of the option granted to them when the System was established April 1, 1922, of remaining out until July 1, 1922, the date upon which membership became compulsory. They, therefore, are included as new members for the fiscal year 1922-1923.

## III.

## RETIREMENT OF MEMBERS.

Number receiving retirement allowances at beginning of fiscal year .....	93	
Members retired for service during fiscal year at age 70 and over .....	52	
Members retired for service during fiscal year at ages 62 to 69 both inclusive (after at least ten years of continuous service)	5	
Members retired for service during fiscal year at ages 60 to 61 both inclusive (after at least 30 years of continuous service)	2	
Members retired for disability during fiscal year (below age 62)	8	
		160
Retired members who died during fiscal year.....	16	
		144
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series).....	2	
Number receiving retirement allowances at June 30, 1923.....		146

The total retirement allowances paid to retired members and their beneficiaries during the fiscal year was \$66,449.56.

Below is given a list of members retired during the fiscal year, 1922-1923, arranged according to the offices or departments in which they were employed:

# Retired for Service.

Office or Department	Name	Position	Date of Retirement
Auditor.....	Boyle, John J.....	Office Superintendent.....	July 1, 1922
Assessor.....	Croskey, R. V.....	Office Superintendent.....	July 1, 1922
	Strauss, Emanuel S.....	Deputy.....	July 1, 1922
County Clerk.....	Buckley, Lawrence.....	Deputy.....	July 1, 1922
	Stevens, James H.....	Deputy.....	July 1, 1922
	Welch, Lawrence J.....	Register Clerk.....	July 1, 1922
Education, Board of.....	Curran, Delia E.....	Janitress.....	Apr. 1, 1923
Elections, Department of.....	Arrington, Nicholas T.....	Deputy.....	July 1, 1922
	Preble, Frank E.....	Deputy.....	Sept. 1, 1922
Electricity, Department of.....	Bishop, Frank.....	Commissary.....	July 1, 1922
	Gorman, James J.....	Lineman.....	May 1, 1923
Fire Department.....	Berg, Herman J.....	Assistant Bookkeeper.....	July 1, 1922
Health, Board of Public.....	O'Neill, Daniel J.....	Disinfecter.....	July 1, 1922
Central Office.....	Ahlstrand, Bernott W.....	Cook.....	Apr. 3, 1923
Relief Home.....	Bergman, Louis.....	Porter.....	Apr. 1, 1923
San Francisco Hospital.....	Hanson, Axel.....	Porter.....	Nov. 1, 1922
	Peters, Johannes J.....	Orderly.....	June 1, 1923
	Wilson, William R.....	Gateman.....	July 1, 1922
Library, Public.....	Weed, Ida B.....	Cataloguer.....	June 1, 1923
Park.....	Barrett, Timothy.....	Teamster.....	Aug. 1, 1922
	Gorman, Edward.....	Laborer.....	Apr. 24, 1923
	Lyons, Patrick.....	Laborer.....	Jan. 1, 1923
	Maret, Victor.....	Gardener.....	July 1, 1922
	McAtee, William J.....	Gardener.....	Oct. 1, 1922
	Montgomery, Pius L.....	Foreman.....	Mar. 1, 1923
	Patton, Thomas.....	Foreman.....	July 1, 1922
	Paulsen, Peter.....	Gardener.....	Sept. 1, 1922
	Rabjohn, Edwin.....	Laborer.....	July 1, 1922
	Rooney, Thomas.....	Fireman and Oiler.....	July 1, 1922
	Simpson, Charles M.....	Foreman.....	Sept. 1, 1922
Public Works, Board of Administrative.....	Farquharson, Henry C.....	Experienced Clerk.....	Apr. 1, 1923
	Keane, Patrick.....	Watchman.....	July 1, 1922
	Tierney, John J.....	Asst. Supt. of Public Buildings.....	July 1, 1922

Office or Department	Name	Position	Date of Retirement
Building Repair	Crimmins, William	Janitor	Apr. 1, 1923
	Ely, Augustus P.	Carpenter	July 1, 1922
	Goodwin, Edward	Painter	July 1, 1922
	O'Neill, Daniel	Watchman	Nov. 1, 1922
Engineering Municipal Railway	Drum, James L.	Surveyor's Field Assistant	July 1, 1922
	Crowley, Michael	Trackman	July 1, 1922
	Higgins, Michael	Trackman	July 1, 1922
	McLean, James	Conductor	July 1, 1922
Main Sewer	Nagle, William	Trackman	Nov. 1, 1922
	McCarthy, John	Bricklayer	Apr. 1, 1923
Street Cleaning	O'Shaunessy, Michael C.	Laborer	July 1, 1922
	Burns, James	Sweeper	Jan. 1, 1923
	Cunniff, Thomas	Laborer	June 1, 1923
	Dunbar, Daniel	Sweeper	July 1, 1922
Street Repair	Federicks, Riewert R.	Sweeper	Aug. 1, 1922
	Jensen, Herrman	Sweeper	Aug. 1, 1922
	Newton, James W.	Sweeper	July 1, 1922
	Fosbery, George	Laborer	July 1, 1922
Recorder	King, Martin	Asphalt Worker	Nov. 1, 1922
	Magee, John	Paver	Sept. 1, 1922
	O'Brien, Jeremiah	Laborer	July 1, 1922
	Zobrist, Hermann	Paver	July 1, 1922
Tax Collector	Campbell, Walter C.	Deputy	July 1, 1922
	Regensburger, Samuel H.	Copyist	July 1, 1922
	Harman, Clarence K.	Deputy	Apr. 1, 1923
	Miller, William H.	Deputy	July 1, 1922
Retired for Disability.			
County Clerk	Jackson, Horace J.	Deputy	July 1, 1922
	Mee, William P.	Copyist	July 1, 1922
Education, Board of Health, Board of Public Central Office	Gorman, Mary A.	Janitress	Nov. 1, 1922
	Connins, Frederick E.	Veterinarian	Feb. 1, 1923
	McLea, Donald	Stableman	May 1, 1923
	Kelly, Thomas	Bricklayer	Apr. 1, 1923
Public Works, Board of Main Sewer	Gump, Jefferson	Sweeper	June 1, 1923
	Stevens, Charles C.	Sweeper	Apr. 1, 1923

Below is given a list of retired members who died during the fiscal year:

Name	Date of Death	Name	Date of Death
Burgund, Otto.....	Apr. 4, 1923	McGrath, Thomas.....	Jan. 20, 1923
Carden, Thomas J.....	Oct. 15, 1922	Mee, William P.....	Feb. 7, 1923
Commins, Frederick E.....	June 21, 1923	Miller, William H.....	Nov. 13, 1922
Crittenden, Parker.....	Jan. 20, 1923	Ryan, Michael J.....	Apr. 16, 1923
Doody, Patrick.....	Feb. 7, 1923	Stevens, James H.....	July 18, 1922
Haley, John.....	Feb. 21, 1923	Strauss, Emanuel S.....	July 8, 1922
Haskell, Francis E.....	Feb. 26, 1923	Viera, Manuel.....	Apr. 29, 1923
Kelly, Michael J.....	Aug. 12, 1922	Wynne, Patrick W.....	May 13, 1923

#### IV.

#### Death Benefits.

Below is given a list of members who died during the fiscal year, together with the offices or departments in which they were employed and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
County Clerk.....	Benedict, Harry G.....	Assistant Register Clerk.....	\$ 1,209.62
	Jackson, John.....	Assistant Register Clerk.....	1,151.53
	Lorigan, Francis B.....	Court Room Clerk.....	1,151.53
Education, Board of.....	Brinkman, Delia M.....	Janitress.....	769.55
	Larkin, Robert E.....	Clerk.....	1,026.54
	Lowney, Jeremiah E.....	Woodworker.....	1,248.53
Fire Department.....	Britt, James E.....	Plumbing Inspector.....	1,511.73
Health, Board of Public	Baker, Adam.....	Ambulance Driver.....	1,138.38
Central Office.....	Ackman, George A.....	Porter.....	526.58
Emergency.....	Lux, William M.....	Orderly.....	429.34
San Francisco Hospital	Meyer, John H.....	Porter.....	661.57
	Sobell, Maurice M.....	Kitchen Help.....	526.58
	Tonneson, Otto T.....	Morgue man.....	39.95
Library, Law	McGuire, Francis J.....	Assistant Librarian.....	1,080.26
Park	Castro, John M.....	Laborer.....	760.26
	Harris, Archibald.....	Gardener.....	738.84
	McCallum, James A.....	Laborer.....	736.54
	McGovern, Thomas.....	Laborer.....	807.26
Police.....	Larson, Peter.....	Hostler.....	930.73

Office or Department	Name	Position	Death Benefit
Public Works, Board of Building Repair	Bertram, Joseph D.	Plumber	1,414.29
	Claussou, Eggert	Janitor	916.67
	Folsom, George F.	Tinner's Helper	935.91
Engineering	Evans, William D.	Surveyor's Field Assistant	1,377.59
	Holcomb, Charles H.	Assistant Civil Engineer	2,156.11
	Hyde, Frederic M.	Draughtsman	1,418.47
	Reavey, James	Assistant Chemist	1,132.67
	Rickey, Bliss D.	Surveyor's Field Assistant	1,466.13
	Sloss, Louis D.	Clerk	1,181.53
Municipal Railway	Bagala, Henry J.	Conductor	765.24
	Cahill, James T.	Motorman	807.04
	Coll, Frank J.	Motorman	781.70
	Dolan, Thomas J.	Trackman	768.48
	Fullalove, John	Motorman	787.92
	Kearney, Joseph A.	Janitor	192.50
	Kurucar, Stephen A.	Conductor	750.22
	McAllister, Lewis A.	Car Repairer	928.57
	McCrary, Bryant F.	Conductor	765.56
	McDevitt, William S.	Conductor	820.18
	Morris, William E.	Motorman	778.41
	Quinlan, Timothy	Trackman, Paid 1923-24	
Street Cleaning	Smith, Owen E.	Trackman	775.41
	Bardon, John W.	Sweeper	779.17
	Cederroth, Ernest	Sweeper	773.38
	Cosgriff, John	Laborer	851.77
	Levy, Lenman	Sweeper	806.67
Street Repair	Ozard, Edward W.	Sweeper	756.93
	Carlson, Herman R.	Laborer	769.17
	Collins, William T.	Laborer	756.94
	Delaney, Hugh	Watchman	835.19
	Grant, Thomas	Laborer	750.79
	McManus, James A.	Watchman	856.06
	Porter, John F.	Engineer	1,229.67
	Ward, William	Laborer	844.74
Recorder Sheriff	Mendenhall, Oswald V.	Deputy	1,297.01
	Cavanagh, George W.	Bookkeeper	1,475.54
	Michel, Peter	Jailer	1,009.60
Total Death Benefits Paid			\$51,208.55



### Election of New Members and Reorganization of the Board of Administration.

In accordance with Section 4 of Article XVII of the Charter, the members of the Retirement System held an election from January 26th to February 10, 1923, both inclusive, for the purpose of choosing three members of the Board of Administration from among the active members of the System to take the places of John W. Rogers, Edward M. Coffey and Thomas G. Riley, who had been appointed on March 9, 1921, by His Honor, Mayor James Rolph, Jr., as required by the Charter, from a list of nominees presented by the employees to serve as members of the Board pending the establishment of the Retirement System. The Retirement System had become fully established on July 1, 1922. The ballots cast during the election were counted by the Registrar of Voters, who certified Edward M. Coffey, John W. Rogers and Thomas G. Riley, the three candidates receiving the highest number of votes, as being elected to membership on the Board of Administration.

On February 20, 1923, these three members, together with Arthur S. Holman, manager of the Travelers' Insurance Company, and DeWitt C. Treat, cashier of the Mission Savings Bank, both appointed to membership on the Board by His Honor, Mayor James Rolph, Jr., on March 9, 1921, drew lots for terms with the following result:

Name of Member	Term Drawn	Expiration of Term
DeWitt C. Treat.....	One Year.....	February 20, 1924
Edward M. Coffey.....	Two Years.....	February 20, 1925
John W. Rogers.....	Three Years.....	February 20, 1926
Thomas G. Riley.....	Four Years.....	February 20, 1927
Arthur S. Holman.....	Five Years.....	February 20, 1928

Supervisor Ralph McLeran, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION,  
San Francisco City Employees' Retirement System.

JOHN W. ROGERS, President.

RALPH R. NELSON, Secretary and Actuary.



REPORT  
OF THE  
BOARD OF ADMINISTRATION  
San Francisco  
City Employees' Retirement System  
For the Fiscal Year Ending June 30, 1924

## I.

**STATEMENT OF THE INCOME AND DISBURSEMENTS DURING THE  
FISCAL YEAR 1923-1924 AND THE ASSETS AND  
LIABILITIES\* AT JUNE 30, 1924.**

1.	Ledger Assets at July 1, 1923.....	\$ 725,374.39
<b>Income.</b>		
2.	Normal Contributions of Employees.....	\$ 324,127.93
3.	Withdrawn Accumulated Contributions Rede- posited .....	496.67
4.	Additional Contributions of Employees.....	184.85
5.	Contributions by City to Match Employees' Normal Contributions .....	324,127.93
6.	Contribution by City to meet Prior Service Obligation .....	119,288.48
7.	Contribution by City to meet Administrative Expenses .....	8,870.51
8.	Interest on Investments.....	42,447.94
9.	Deposit by Beneficiary under Death Claim.....	1,183.56
10.	Total Income .....	\$ 820,727.87
11.	.....	\$1,546,102.26
<b>Disbursements.</b>		
12.	Accumulated Contributions Withdrawn.....	\$ 14,522.69
13.	Service Retirement Allowances .....	76,381.13
14.	Disability Retirement Allowances.....	5,155.58
15.	Death Benefits to Members' Beneficiaries.....	64,288.16
16.	Death Benefits to Retired Members' Benefi- ciaries .....	2,603.13
17.	Administrative Expenses .....	8,870.51
18.	Amortization of Bonds.....	314.49
19.	Monthly Installments to Beneficiary (See Item 9) .....	301.47
20.	Total Disbursements .....	\$ 172,437.16
21.	Balance, as per Ledger Assets, Item 29.....	\$1,373,665.10
<b>Ledger Assets.</b>		
22.	Cash .....	\$ 2,311.41
23.	San Francisco City and County Bonds.....	730,906.43
24.	United States Government Fourth Liberty Loan Bonds .....	416,052.32
25.	State of California Bonds.....	167,037.01
26.	Accrued Interest .....	8,315.66
27.	Account with City and County of San Francisco	42,880.22
28.	Employees' Contributions in course of Collec- tion .....	6,162.05
29.	Total Ledger Assets, as per Balance in Item 21 .....	\$1,373,665.10
<b>Non-Ledger Assets and Deficit.</b>		
30.	Present Value of City's Accumulated Contribu- tions to be Released by Death .....	\$ 23,903.51
31.	Present Value of City's Accumulated Contribu- tions to be Released by Disability Retirement	2,217.79
32.	Deficit .....	947.64
33.	Total Assets and Deficit.....	\$1,400,734.04

## Liabilities.\*

34. Members' Accumulated Normal Contributions..	\$ 676,981.50
35. Members' Accumulated Additional Contributions .....	400.66
36. City's Accumulated Contributions, Current Service .....	676,981.50
37. City's Other Accumulated Contributions.....	23,138.54
38. Present Value of Service Retirement Allowances (Current Service) granted to retired members .....	16,882.68
39. Present Value of Disability Retirement Allowances (Current Service) granted to retired members .....	5,455.66
✓ 40. Present Value Monthly Installments not yet due (See Item 9).....	892.41
41. Ex-Members' Accumulated Contributions in Suspense .....	1.09
42. Total Liabilities .....	<u>\$1,400,734.04</u>

## Explanation of Financial Statement.

Items 9-19-40.—In case of one death claim during the fiscal year, under which the benefit amounted to \$1,183.56, the beneficiary elected to receive the benefit in monthly installments (Section 19, Ordinance No. 5561, New Series), interest at the rate of 4 per cent. per annum being allowed by the Retirement System on the unpaid balance. In accordance with accepted practice, the entire amount is included in Item 15 as a disbursement and shown in income Item 9 as if received from the beneficiary. Installments paid during the fiscal year are shown in Item 19 as a disbursement, and the value at June 30, 1924, of installments not yet due is carried in Item 40 as a liability.

Item 16.—This benefit was paid at the death of a retired member who elected, at the time of his retirement, to have his retirement allowance modified in accordance with Option No. 1, Section 18, Ordinance No. 5561 (New Series). Under this option a lesser retirement allowance is paid to the retired member with the provision that a death benefit shall be paid to his beneficiary.

Item 28.—This item is made up of contributions from certain per diem employees on compensation earned during the last half of June, 1924. The contributions were not received by the Retirement System until after the close of the fiscal year, because of the fact that pay rolls in such cases are not completed until about July 6th.

Item 30.—The death benefit provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death, (Section 19, Ordinance No. 5561, New Series). The portion of this amount which is chargeable to current service must be provided from the accumulated contributions of the city.

\*The Liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for Item 37. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the city has definitely assumed the liability for prior service, whatever its amount may be, (Section 10, Ordinance No. 5561, New Series).

While the Retirement System is young, therefore, and before the city's accumulated contributions held for the benefit of a deceased member is equal to this portion of the six months' compensation earnable, the amount actually paid will exceed the amount on hand for that purpose, the excess to be made up in the future by the excess of the city's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years. Credit is taken in Item 30, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1924.

Item 31.—On account of the guarantee of a minimum disability benefit under the Retirement System, (Section 16, Ordinance 5561, New Series) the present value of such benefits granted on account of current service and chargeable against the accumulated contributions of the city, while the System is young, will exceed the amount of the city's accumulated contributions held for the benefit of the members retired for disability. As in the case of death benefits explained in the preceding paragraph, this excess will be made up in the future by the excess of the city's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 31, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Item 32.—The deficit of \$947.64 is due entirely to the fact that the interest earned since the establishment of the Retirement System is less than the interest credited to the members and the city on the contributions made by them. Interest at the rate of 4 per cent. per annum, compounded annually, is allowed on all contributions from the first day of the month following that for which contributions are made. The facts that all the members' contributions are not received by the first day of that month, that the city's contributions are not made until the taxes for the fiscal year are received in the Treasurer's office and apportioned by the Auditor and Treasurer and that two or three days sometimes elapse after the receipt of the contributions before it is possible to invest them, account for the failure to earn the interest required. Since, however, the funds of the Retirement System are invested in San Francisco, United States Government and State of California Bonds to yield from 4.35 per cent. to 4.75 per cent. this deficit will be wiped out.

Items 34-36.—Item 34, \$676,981.50, is the total of all normal contributions (as distinguished from additional contributions) standing to the credit of individual members at June 30, 1924, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Normal contributions are matched, dollar for dollar, by the city as evidenced by Item 36, (Section 5, Ordinance No. 5561, New Series).

Item 35.—This item of \$400.66 is the total of all additional contributions standing to the credit of individual members at June 30,

1924, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the city. The city does not match additional contributions, (Section 5, Ordinance No. 5561, New Series).

Item 37.—This item of \$23,138.54 represents the city's accumulated contributions released by the withdrawal by employees of their accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligation of the city on account of prior service of members, (Section 7, Ordinance No. 5561, New Series).

Items 38-39.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the note above, no notice is taken of benefits granted or to be granted on account of prior service.

Item 41.—Included in this item are the accumulated contributions of individuals whose memberships in the Retirement System have been terminated because of their separation from city-service, but, in whose cases, due to inability to deliver, the warrants drawn in refund of the accumulated contributions have been cancelled and the amounts held in suspense.

## II.

### **An Explanation as to Assets, Liabilities and Surplus.**

Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

Article XVII of the Charter and Ordinance No. 5561 (New Series) require that the Retirement System be established on the reserve basis, that is, that provision be made for liabilities when they are **incurred** instead of when they **mature**, a principle upon which every sound life insurance company and every sound retirement system is based. The principal cause of insolvency and inability to pay claims in the case of numerous pension funds has been the lack of a forecast of the cost of benefits provided, and consequently, the failure to make provision for meeting those costs. The City and County of San Francisco and the members of the Retirement System could not be asked to contribute to a retirement system that is not sound not only for the present but for all the future as well. A retirement system to be sound must make provision for liabilities when they are incurred instead of when they mature.

Liabilities are incurred as service is rendered to the City and County by members of the Retirement System, and assets to meet these liabilities are provided by the contributions from members deducted from compensation paid for such service and by equal contributions from the City and County. Assets equal to Members'

Accumulated Contributions must be on hand at all times to meet promises to refund such contributions upon separation from city-service or death or to apply them to purchase retirement allowances upon retirement. Assets in an equal amount must be on hand for the City's Accumulated Contributions.

Every dollar in the Retirement Fund is held to meet specific liabilities. These liabilities are listed in Items 34 to 41 on page 3 of this Report and are explained on pages 4 and 5. As long as the assets of the Retirement System are used only to meet the liabilities for which they have been set aside, the time will never come when the City and County and the members of the System will be forced to choose between providing staggering sums or allowing the System to default in payments to members.

### III.

#### MEMBERSHIP.

Number of members in Retirement System July 1, 1923	3,714
Number of employees who became members during fiscal year .....	628
	<u>4,342</u>
Number of members who withdrew during fiscal year on account of separation from city-service.....	275
Number of members who died during fiscal year.....	62
Number of members who were retired during fiscal year	<u>55</u> <u>392</u>
Number of members in Retirement System June 30, 1924 .....	3,950

### IV.

#### RETIREMENT OF MEMBERS.

Number receiving retirement allowances at beginning of fiscal year .....	146
Members retired for service during fiscal year at age 70....	29
Members retired for service during fiscal year at ages 62 to 69, both inclusive (after at least ten years of continuous service) .....	13
Members retired for service during fiscal year at ages 60 to 61 both inclusive (after at least 30 years of continuous service) .....	0
Members retired for disability during fiscal year (below age 62) .....	13
Beneficiaries beginning to receive allowances upon death of retired members during fiscal year.....	<u>1</u>
	202
Retired members who died during fiscal year.....	17
Beneficiary who died during fiscal year.....	<u>1</u> <u>18</u>
Number receiving retirement allowances at June 30, 1924..	184
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series) included in total .....	2

The total retirement allowances and death benefits paid to retired members and their beneficiaries during the fiscal year was \$84,139.84.



Below is given a list of members retired during the fiscal year 1923--1924, arranged according to the offices or departments in which they were employed:

### Retired for Service.

Office or Department	Name	Position	Date Retirement Became Effective
County Clerk.....	Flood, John C.	Assistant Register Clerk.....	July 1, 1923
Education, Board of.....	Gibney, Thomas F.	Shop Mechanic.....	Feb. 1, 1924
	Kelly, Margaret J.	Janitress.....	Aug. 27, 1923
Electricity, Department of.....	Murphy, Jeremiah L.	Telegraph Operator.....	Sept. 1, 1923
Health, Board of.....			
Central Office.....	Brown, John.....	Inspector.....	Oct. 1, 1923
Emergency Service.....	Heffernan, Wm. J.	Steward.....	Feb. 1, 1924
Relief Home.....	King, Thomas.....	Cook.....	Dec. 1, 1923
	Sarander, Hermine D.	Seamstress.....	Dec. 1, 1923
San Francisco Hospital.....	Breitenstein, Sophie.....	Seamstress.....	Sept. 16, 1923
	Brickley, Ed.....	Orderly.....	Sept. 20, 1923
	Conley, John H.	Yardman.....	Aug. 1, 1923
	Parker, Arta S.	Diet Kitchen Maid.....	Sept. 9, 1923
Park.....	Byrne, Patrick.....	Laborer.....	June 1, 1924
	Cline, John J.	Gardener.....	Oct. 1, 1923
	Creaney, John.....	Gardener.....	Nov. 16, 1923
	Foster, Wm.....	Laborer.....	June 1, 1924
	Miller, Wm.....	Laborer.....	April 1, 1924
	Miskel, Wm. F.	Laborer.....	Mar. 1, 1924
	Norton, Malachi.....	Laborer.....	Dec. 1, 1923
	Severance, Matilda O.	Attendant.....	Dec. 1, 1924
	van Benthem, Gerrit B.	Foreman.....	Feb. 1, 1924
Public Works, Board of.....			
Building Repair.....	Fortune, John W.	Carpenter.....	April 1, 1924
	Henning, John C.	Watchman.....	Jan. 1, 1924
	Johnson, Wm. R.	Janitor.....	June 1, 1924
Municipal Railway.....	Bergstrand, John A.	Motorman.....	July 15, 1923
	Boland, Michael.....	Janitor.....	Jan. 1, 1924
	Collins, Dennis.....	Assistant Superintendent.....	Jan. 1, 1924
	Cook, Elias.....	Janitor.....	Oct. 1, 1923

# List of members retired during the fiscal year 1923—Continued.

Office of Department	Name	Position	Date Retirement Became Effective
Public Works, Board of Sewer.	Dugan, Patrick	Trackman	April 1, 1924
	Fitzgerald, John	Trackman	Sept. 28, 1923
	Knapp, Eddy	Experienced Clerk	Mar. 5, 1924
Street Cleaning	Crowley, Jeremiah	Cribber	Sept. 1, 1923
	O'Mahony, Michael	Cleaner	April 1, 1924
	Beck, Meyer G.	Sweeper	Nov. 1, 1923
Street Repair	Crowley, Jeremiah	Laborer	Aug. 1, 1923
	Lynagh, John	Laborer	Oct. 1, 1923
	Kane, Thomas	Sweeper	Dec. 1, 1923
Recorder	Barbieri, Charles	Laborer	July 1, 1923
	Cronin, Michael M.	Laborer	Oct. 8, 1923
	McGinney, John H.	Watchman	May 1, 1924
Sheriff	Hall, Robert C.	Deputy	Nov. 1, 1923
	Beirne, Arthur	Jailer	Dec. 1, 1923

## Retired for Disability.

Education, Board of	Cuddy, Catherine T.	Janitress	Mar. 1, 1924
	Ferbeck, Harry	Janitor	Nov. 1, 1923
Electricity, Department of	McAdams, Annie T.	Janitress	Aug. 1, 1923
	Allen, Charles M.	Fire Alarm Operator	Jan. 1, 1924
	Blakeley, Joseph H.	Fire Alarm Operator	Aug. 1, 1923
Fire Department	Delany, Wm. P.	Machinist	Mar. 1, 1924
Health, Board of	Cassidy, Thomas A.	Plumbing Inspector	Mar. 1, 1924
	Deach, Margaret	Matron	Feb. 1, 1924
Public Works, Board of Municipal Railway	Bowman, Martin H.	Carpenter	Dec. 10, 1923
	Erwick, Josiah	Motorman	June 26, 1923
	Glover, John B.	Motorman	Sept. 6, 1923
Park	Mills, Robert J.	Motorman	May 29, 1924
	Patillo, Frank W.	Conductor	June 26, 1923



## Deaths Among Retired Members.

Below is given a list of retired members who died during the fiscal year:

Name	Date of Death	Name	Date of Death
Carolan, James	June 9, 1924	Herring, David T.	Jan 29, 1924
Connins, Mary*	Oct. 8, 1923	Jackson, Horace J.	May 5, 1924
Cronin, Michael M.	Jan. 8, 1924	Kane, Francis E.	Jan. 9, 1924
Crowley, Jeremiah	Dec. 18, 1923	Keegan, Joseph P.	Aug. 25, 1923
de Succa, James	Nov. 12, 1923	McGinney, John H.	June 15, 1924
Dolan, Patrick C.	Feb. 25, 1924	O'Connor, James	Nov. 27, 1923
Flood, John C.	May 27, 1924	Shevbridge, Peter	April 4, 1924
Forbes, Thomas Y.	Dec. 15, 1923	Simpson, Charles M.	April 5, 1924
Glover, John B.	Mar. 3, 1924	Summerville, Alexander	Mar. 18, 1924

\*Beneficiary under Option No. 3.

## V.

## Death Benefits.

Below is given a list of members who died during the fiscal year including claims incurred in the previous fiscal year but paid in 1923-24, together with the offices or departments in which they were employed, and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
Assessor	McCarty, Thomas L.	Deputy	\$ 1,259.06
County Clerk	Pratt, Marion W.	Assistant Deputy	1,822.64
	McNulty, Wm. H.	Clerk, Paid 1924-25	
	Siskron, Charles A.	Deputy	
Education	Tripp, John H.	Copyist	1,137.22
	Kelly, James H.	Shop Mechanic	1,121.76
	O'Donnell, Annie J.	Janitress	1,153.58
Electricity, Department of	Carrell, John W.	Inspector	787.44
	Nixon, Wm. J.	Fire Alarm Operator	1,415.42
			1,325.68

## Death Benefits—Continued.

Office or Department	Name	Position	Death Benefit
Health, Board of			
Central Office	Mulligan, Peter	Plumbing Inspector	1,715.93
Emergency Service	Callahan, Joseph I.	Surgeon	1,078.94
San Francisco Hospital	Denkinger, Gene L.	Graduate Nurse	908.95
	Dower, Maurice	Porter	481.41
	Griffin, Eileen	Waitress	544.15
	Long, Charles M.	Chief Engineer	1,960.17
	MacMillan, Aeneas	Messenger, Paid 1924-25	
	Watermier, Mary P.	Waitress	587.23
	Williams, Eli W.	Orderly	532.89
Library, Public	Hafner, Berthe S.	Assistant	1,037.87
	Healy, Eileen A.	Cataloguer	918.47
Park	Dennis, Wm. E.	General Utilityman	948.63
	Girod, Julius	Foreman	1,081.85
	Murphy, Peter F.	Gardener	936.79
	Siebert, George D.	Laborer	735.02
	Thompson, Thomas J.	Gardener	905.94
	Cotter, Edward F.	Engineer	1,205.53
Police Department			
Public Works, Board of	McCreery, Andrew T.	Clerk	1,347.34
Administrative	Hansen, Mathias	Janitor	1,125.66
Building Repair	Hyland, Arthur W.	Painter	1,227.55
	O'Donnell, Wm. H.	Chief Engineer	1,748.27
	Patchel, Wm. E.	Painter	1,407.86
Engineering	Hollidge, Harry H.	Surveyor	1,643.97
Municipal Railway	Brennan, John	Motorman	817.99
	Kearney, Joseph A.	Janitor, Balance, Died 1922-23	586.81
	Larson, Lars U.	Motorman	843.82
	Lee, Coleman J.	Conductor	845.90
	Lincoln, George A.	Motorman	958.61
	Phelan, John	Trackman	987.19
	Quinlan, Timothy	Trackman, Died 1922-23	71.16
	Spillane, John M.	Motorman	912.24
	Weiss, Aloysius T.	Conductor	829.61
	Wiget, Paul E.	Car Repairer	1,183.56
Sewer	Barry, Nicholas	Laborer	892.80

Office or Department	Name	Position	Death Benefit
Street Cleaning	Duddy, Michael V.	Cleaner	1,318.52
	Fannon, John	Cribber	970.45
	Hannan, Thomas J.	Cribber	1,965.12
	Keely, George D.	Bricklayer	851.89
	Antoncich, Marco	Laborer	953.87
Street Repair	Burke, John E.	Sweeper	1,065.86
	Hanlon, Wm. E.	Sweeper	915.32
	Griffiths, John	Foreman	757.44
	Murray, Philip	Laborer	918.49
	Rivers, Charles A.	Laborer	957.55
Sheriff	Sharkey, Charles	Laborer	1,073.27
	Lee, John	Laborer	779.44
	McElligott, Thomas	Asphalt Finisher	852.88
	Ponotowske, Joseph	Laborer	1,099.98
	Shannon, James P.	Laborer	1,242.99
Supervisors, Board of	Feeley, Thomas J.	Jailer	1,381.95
	Mibach, Henry J.	Jailer	1,734.33
Tax Collector	Kessen, James Morton	Stenographer	1,225.63
	Slevin, James P.	Assistant Clerk	1,190.27
	Citron, Isaac	Deputy	
Total Death Benefits Paid	Stapleton, Joseph W.	Deputy	
			\$64,288.16

## VI.

## Membership of the Board of Administration.

On February 20, 1924, His Honor, Mayor James Rolph, Jr., reappointed DeWitt C. Treat, Cashier of the Mission Savings Bank, to membership on the Board of Administration, his term having expired on that date. In accordance with Section 4 of Article XVII of the Charter, the membership of the Board is made up of the Chairman of the Finance Committee, Board of Supervisors; the Auditor of the City and County; three members elected from the active members of the Retirement System; a resident official of a life insurance company and an officer of a bank, both to be appointed by the Mayor. Arthur S. Holman, Manager of the Travelers Insurance Company, and DeWitt C. Treat, Cashier of the Mission Savings Bank, are the two officials appointed by the Mayor.

The expiration dates of the terms of the various members are as follows:

Name of Member	Expiration of Term
Edward M. Coffey.....	February 20, 1925
John W. Rogers.....	February 20, 1926
Thomas G. Riley.....	February 20, 1927
Arthur S. Holman .....	February 20, 1928
DeWitt C. Treat.....	February 20, 1929

Supervisor Ralph McLaren, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION,  
San Francisco City Employees' Retirement System.

RALPH R. NELSON,  
Secretary-Actuary.

JOHN W. ROGERS,  
President.

# REPORT

OF THE

BOARD OF ADMINISTRATION

## San Francisco City Employees' Retirement System

For the Fiscal Year Ending June 30, 1925

## I.

**STATEMENT OF THE INCOME AND DISBURSEMENTS DURING THE  
FISCAL YEAR 1924-1925 AND THE ASSETS AND  
LIABILITIES\* AT JUNE 30, 1925.**

1.	Ledger Assets at July 1, 1924.....	\$1,373,665.10
<b>Income.</b>		
2.	Normal Contributions of Employees.....	\$ 344,500.09
3.	Withdrawn Accumulated Contributions Redeposited .....	1,555.16
4.	Additional Contributions of Employees.....	537.77
5.	Contributions by City to Match Employees' Normal Contributions .....	344,500.09
6.	Contribution by City to meet Prior Service Obligation .....	134,700.72
7.	Contribution by City to meet Administrative Expenses .....	9,532.58
8.	Interest on Investments.....	72,666.03
9.	Total Income .....	\$ 907,992.44
10.	.....	\$2,281,657.54
<b>Disbursements.</b>		
11.	Accumulated Contributions Withdrawn.....	\$ 26,003.57
12.	Service Retirement Allowances.....	83,366.89
13.	Disability Retirement Allowances.....	6,825.47
14.	Death Benefits to Members' Beneficiaries.....	77,536.06
15.	Death Benefits to Retired Members' Beneficiaries .....	3,119.67
16.	Administrative Expenses .....	9,532.58
17.	Amortization of Bonds .....	1,160.22
18.	Monthly Installments to Beneficiary.....	904.41
19.	Total Disbursements .....	\$ 208,448.87
20.	Balance, as per Ledger Assets, Item 30.....	\$2,073,208.67
<b>Ledger Assets.</b>		
21.	Cash .....	\$ 669.24
22.	City and County of San Francisco Bonds.....	1,007,291.06
23.	United States Government Fourth Liberty Loan Bonds .....	416,461.39
24.	State of California Bonds.....	186,558.21
25.	City of Sacramento Bonds.....	294,781.81
26.	City of Stockton Bonds.....	71,222.79
27.	Accrued Interest .....	11,004.24
28.	Account with City and County of San Francisco....	71,760.38
29.	Employees' Contributions in course of Collection....	13,459.55
30.	Total Ledger Assets, as per Balance in Item 20 .....	2,073,208.67
<b>Non-Ledger Assets.</b>		
31.	Present Value of City's Accumulated Contributions to be released by Death.....	21,980.94
32.	Present Value of City's Accumulated Contributions to be released by Disability Retirement.....	4,946.10
33.	Total Assets .....	\$2,100,135.71

**Liabilities.\***

34. Members' Accumulated Normal Contributions.....	\$1,001,142.26
35. Members' Accumulated Additional Contributions.....	962.76
36. City's Accumulated Contributions, Current Service.....	1,001,142.26
37. City's Other Accumulated Contributions.....	49,120.94
38. Present Value of Service Retirement Allowances (Current Service) granted to retired members.....	34,339.14
39. Present Value of Disability Retirement Allowances (Current Service) granted to retired members.....	9,123.83
40. Ex-Members' Accumulated Contributions in Sus- pense .....	97.69
41. Surplus .....	4,206.83
42. Total Liabilities .....	<u>\$2,100,135.71</u>

**Explanation of Financial Statement**

Item 15.—This benefit was paid at the death of a retired member who elected, at the time of his retirement, to have his retirement allowance modified in accordance with Option No. 1, Section 18, Ordinance No. 5561 (New Series). Under this option a lesser retirement allowance is paid to the retired member with the provision that a death benefit shall be paid to his beneficiary.

Item 18.—In the case of one death claim during the fiscal year 1923-24, the beneficiary elected to receive the benefit in monthly installments (Section 19, Ordinance No. 5561, New Series), interest at the rate of 4 per cent. per annum being allowed by the Retirement System on the unpaid balance. In accordance with accepted practice, the entire amount of the claim, \$1,183.56, was included in the Statement for that fiscal year as a disbursement and shown in income as if received from the beneficiary. Final installments under the claim paid during the fiscal year 1924-25 are shown here as a disbursement, their value at June 30, 1924, having been carried as a liability in the Statement for 1923-24.

Item 29.—This item is made up of contributions from certain per diem employees on compensation earned during the last half of June, 1925. The contributions were not received by the Retirement System until after the close of the fiscal year, because of the fact that pay rolls in such cases are not completed until about July 6th.

Item 31.—The death benefit provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death, (Section 19, Ordinance No. 5561, New Series). The portion of this amount which is chargeable to current service must be provided from the accumulated contributions of the City. While the Retirement System is young, therefore, and before the City's accumulated contributions held for the benefit of a deceased member is equal to this portion of the six months' compensation earnable, the amount actually paid will exceed the amount on hand for that purpose, the excess

\* The Liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for Item 37. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the City has definitely assumed the liability for prior service, whatever its amount may be (Section 10, Ordinance No. 5561, New Series).

to be made up in the future by the excess of the City's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years. Credit is taken in Item 31, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1925.

Item 32.—On account of the guarantee of a minimum disability benefit under the Retirement System, (Section 16, Ordinance 5561, New Series) the present value of such benefits granted on account of current service and chargeable against the accumulated contributions of the City, while the System is young, will exceed the amount of the City's accumulated contributions held for the benefit of the members retired for disability. As in the case of death benefits explained in the preceding paragraph, this excess will be made up in the future by the excess of the City's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 32, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Items 34-36.—Item 34, \$1,001,142.26, is the total of all normal contributions (as distinguished from additional contributions) standing to the credit of individual members at June 30, 1925, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Normal contributions are matched, dollar for dollar, by the City as evidenced by Item 36, (Section 5, Ordinance No. 5561, New Series).

Item 35.—This item of \$962.76 is the total of all additional contributions standing to the credit of individual members at June 30, 1925, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the City. The City does not match additional contributions, (Section 5, Ordinance No. 5561, New Series).

Item 37.—This item of \$49,120.94 represents the City's accumulated contributions released by the withdrawal by employees of their accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligation of the City on account of prior service of members, (Section 7, Ordinance No. 5561, New Series).

Items 38-39.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the foot note on page 2, no notice is taken of benefits granted or to be granted on account of prior service.

Item 40.—Included in this item are the accumulated contributions of individuals whose memberships in the Retirement System have been terminated because of their separation from city-service, but, in whose cases, due to inability to deliver, the warrants drawn in refund of the



accumulated contributions have been cancelled and the amount held in suspense.

Item 41.—The surplus of \$4,206.83 is due entirely to the fact that the interest earned since the establishment of the Retirement System is greater than the interest credited to the members and the City on the contributions made by them. Interest at the rate of 4 per cent. per annum, compounded annually, is allowed on all contributions from the first day of the month following that for which contributions are made. The funds of the Retirement System are invested in San Francisco, Sacramento, Stockton, United States Government and State of California bonds to yield from 4.30 to 4.80 per cent. As shown by the Statements of the Retirement System for previous fiscal years, the excess interest earned on investments have been more than off-set by the facts that all the members' contributions are not received by the first day of the month following that for which contributions are made, that the City's contributions are not made until the taxes for the fiscal year are received in the Treasurer's Office and apportioned by the Auditor and Treasurer, and that a few days some times elapse after the receipt of the contributions before it is possible to invest them. During the fiscal year closing June 30, 1925, however, the excess interest earned was sufficient to wipe out the deficit accumulated on account of this delayed receipt of contributions and to result in the surplus of \$4,206.83 as shown.

## II.

### **An Explanation as to Assets, Liabilities and Surplus**

Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

Article XVII of the Charter and Ordinance No. 5561 (New Series) require that the Retirement System be established on the reserve basis, that is, that provision be made for liabilities when they are **incurred** instead of when they **mature**, a principle upon which every sound life insurance company and every sound retirement system is based. The principal cause of insolvency and inability to pay claims in the case of numerous pension funds has been the lack of a forecast of the cost of benefits provided, and consequently, the failure to make provision for meeting those costs. The City and County of San Francisco and the members of the Retirement System could not be asked to contribute to a retirement system that is not sound not only for the present but for all the future as well. A retirement system to be sound must make provision for liabilities when they are incurred instead of when they mature.

Liabilities are incurred as service is rendered to the City and County by members of the Retirement System, and assets to meet these liabilities are provided by the contributions from members deducted from compensation paid for such service and by equal contributions from the City and County. Assets equal to Members' Accumulated Contributions must be on hand at all times to meet promises to refund such

contributions upon separation from city-service or death or to apply them to purchase retirement allowances upon retirement. Assets in an equal amount must be on hand for the City's Accumulated Contributions.

Every dollar in the Retirement Fund is held to meet specific liabilities. These liabilities are listed in Items 34 to 42 on page 3 of this Report and are explained on pages 3, 4 and 5. As long as the assets of the Retirement System are used only to meet the liabilities for which they have been set aside, the time will never come when the City and County and the members of the System will be forced to choose between providing staggering sums or allowing the System to default in payments to members.

### III.

#### MEMBERSHIP

Number of members in Retirement System July 1, 1924.....	3,950	
Number of employees who became members during fiscal year .....	569	
		4,519
Number of members who withdrew during fiscal year on account of separation from city-service.....	288	
Number of members who died during fiscal year.....	67	
Number of members who were retired during fiscal year....	36	391
Number of members in Retirement System June 30, 1925 ...		4,128

### IV.

#### RETIREMENT OF MEMBERS

Number receiving retirement allowances at beginning of fiscal year .....		184
Members retired for service during fiscal year at age 70....		18
Members retired for service during fiscal year at ages 62 to 69, both inclusive (after at least ten years of continuous service) .....		14
Members retired for service during fiscal year at ages 60 to 61 both inclusive (after at least thirty years of continuous service) .....		0
Members retired for disability during fiscal year (below age 62) .....		4
Beneficiaries beginning to receive allowances upon death of retired members during fiscal year.....		0
		220
Retired members who died during fiscal year.....	20	
Retired members reinstated from disability retirement.....	1	
Beneficiaries who died during fiscal year.....	0	21
Number receiving retirement allowances at June 30, 1925....		199
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series) included in total.....		2

The total retirement allowances and death benefits paid to retired members and their beneficiaries during the fiscal year was \$93,312.03.

Below is given a list of members retired during the fiscal year 1924-1925, arranged according to the offices or departments in which they were employed:

# Retired for Service.

Office or Department	Name	Position	Date Retirement Became Effective
Education	Conklin, Frank	Storekeeper	April 1, 1925
	Walsh, Edward	Janitor	Aug. 1, 1924
	Dignau, James H.	Deputy Registrar	May 1, 1925
	Glock, Anton	Instrument Maker	June 1, 1925
	Turner, Mary	Registry Clerk	June 1, 1925
	Leas, Goodman C.	Orderly	Feb. 1, 1925
	Ashley, Delos R.	Foreman	Sept. 1, 1924
	Daly, Denis	Laborer	Mar. 19, 1924
	Farrington, Peter M.	Laborer	Oct. 1, 1924
	Hedges, Lucius	Laborer	Mar. 1, 1925
Health, Board of	Obram, Thomas G.	Foreman	Oct. 1, 1924
	Thompson, James M.	Teamster	Feb. 1, 1925
	Waldron, James	Janitor	June 1, 1925
	Manning, Thomas	Janitor	Mar. 1, 1925
	Spencer, John W.	Janitor	Aug. 5, 1924
	Lawton, Edward	Inspector	Mar. 1, 1925
	Stokes, Mark	Watchman	May 1, 1925
	Elgin, Ira P.	Conductor	Mar. 1, 1925
	Netzel, August O.	Conductor	Oct. 26, 1924
	Corcoran, Patrick	Laborer	Jan. 1, 1925
Public Works, Board of	Brogan, Michael	Sweeper	Jan. 1, 1925
	Hopkins, Patrick	Sweeper	April 1, 1925
	Johnson, Frank W.	Laborer	June 16, 1925
	Klenk, George G.	Sweeper	May 1, 1925
	Stefan, George	Sweeper	Oct. 26, 1924
	Ferguson, James	Laborer	July 1, 1924
	Gillon, Charles M.	Rammer	Aug. 1, 1924
Building Repair			
Engineering			
Municipal Railway			
Sewer			
Street Cleaning			
Street Repair			

# List of members retired during the fiscal year 1924-1925—Continued.

Office or Department	Name	Position	Date Retirement Became Effective
Playground	Kelly, Robert.....	Paver	June 1, 1925
	Maloney, John.....	Laborer	May 1, 1925
	Callaghan, Con.....	Laborer	Nov. 1, 1924
	Wrede, August.....	Laborer	Jan. 1, 1925
Sheriff	Raiseh, William C.....	Bookkeeper	April 1, 1925

## Retired for Disability

Office or Department	Name	Position	Date Retirement Became Effective
Health, Board of			
Relief Home.....	Colleran, Thomas J.....	Engineer	April 1, 1925
Public Works, Board of			
Municipal Railway.....	Spencer, Willis E.....	Motorman	Aug. 19, 1924
	Crawford, John T.....	Motorman	Dec. 21, 1924
Street Cleaning.....	Brannan, Joseph.....	Foreman	June 14, 1925

## Deaths Among Retired Members.

Below is given a list of retired members who died during the fiscal year 1924-1925:

Name	Date of Death	Name	Date of Death
Ahlstrand, Bernott W.....	Nov. 2, 1924	Higgins, Michael.....	Jan. 30, 1925
Bowman, Martin H.....	Oct. 15, 1924	Magee, John.....	Oct. 6, 1924
Boyle, John J.....	Dec. 31, 1924	McGarry, Thomas.....	April 11, 1925
Christal, Thomas.....	Jan. 6, 1925	McKinnon, Daniel A.....	Mar. 29, 1925
Creaney, John.....	Sept. 21, 1924	O'Neill, Daniel.....	Mar. 25, 1925
Crawford, John T.....	June 19, 1925	Pitts, Thomas.....	July 20, 1924
Dugan, Patrick.....	May 21, 1925	Rabjohn, Edwin.....	Mar. 26, 1925
Farrell, Dennis.....	Oct. 29, 1924	Stefan, George.....	Jan. 10, 1925
Gorman, Edward.....	Aug. 31, 1924	Spencer, John W.....	Jan. 13, 1925
Gorman, James J.....	May 21, 1925	Ward, Martin.....	April 1, 1925

### Reinstatement from Disability Retirement.

The following individual was reinstated during the fiscal year to active membership from disability retirement:

Name	Date of Reinstatement
McLea, Donald	July 25, 1924

### V.

### Death Benefits

Below is given a list of members who died during the fiscal year including claims incurred in the previous fiscal year but paid in 1924-1925, together with the offices or departments in which they were employed, and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
Assessor	Tolle, Oscar	Depnty	\$ 1,700.45
County Clerk	Dunsworth, John F.	Assistant Register Clerk	1,315.01
	Groom, James J.	Deputy	1,385.24
Education	McNulty, Wm. H.	Clerk, Died 1923-24	1,286.90
	Boyde, Edward	Janitor	996.42
	Donohue, Charles A.	Shop Mechanic	1,244.12
	Elliott, Mary E.	Janitress	999.37
	Kerr, Martin E.	Janitor, Paid 1925-26	
	Sample, Mary J.	Janitress	916.21
Health, Board of	Regan, John	Inspector	1,583.93
Central Office	Cavanaugh, William H.	Chaufeur	1,358.05
Emergency Service	Branney, Hugh J.	Cook's Helper	630.15
San Francisco Hospital	Gregg, Margaret	Pantrymaid	611.64
	MacMillan, Aeneas	Messenger, Died 1923-24	641.03
	Rilee, Anna A.	Practical Nurse	618.02
	Wagner, Henry	Engineer's Helper	641.15
Public Works, Board of	Bello, Vincent	Watchman	1,296.83
Building Repair	Carroll, Thomas H.	Tinner	1,743.11

## Death Benefits—Continued.

Office or Department	Name	Position	Death Benefit
Engineering	Corinson, Simon	Surveyor's Field Ass't	1,375.12
	Hartmann, Fred H.	Inspector	1,408.06
	Hilpisch, Carl	Surveyor	1,715.28
	O'Connor, Richard W.	Inspector	1,432.71
Municipal Railway	Turner, William J.	Inspector	1,584.57
	Breen, Cornelius J.	Conductor	1,031.77
	Brainerd, Fred G.	Motorman	1,064.44
	Dunlon, Thomas F.	Conductor	810.05
	Duffy, Owen	Car Repairer	1,022.04
	Fitzgerald, Patrick M.	Motorman	991.93
	Hinton, Guy	Clerk	1,447.00
	Johanson, Peter E.	Conductor	1,144.95
	Keyes, Joseph J.	Motorman	1,071.94
	McCarthy, Bartholomew	Motorman	1,132.42
	Norton, Thomas	Trackman	967.90
	O'Rourke, Isaac W.	Clerk	1,452.30
Sewer	Rigney, Francis J.	Conductor	1,090.60
	Thompson, Wm. A.	Conductor	1,037.18
	Barry, Laurence J.	Sewerman	1,132.60
	Dillon, John	Sewerman	1,056.24
	Fannon, John	Cribber, Died 1923-24	1,047.81
	Forde, Thomas J.	Laborer	992.29
	Holland, John H.	Laborer	1,040.53
	McDermott, James	Cleaner	1,299.93
	Mullin, Daniel	Sewerman	1,121.12
	Sheridan, Thomas F.	Sewerman	1,107.05
	Bohan, Thomas	Sweeper	924.82
	Bomberg, Charles A.	Sweeper	1,074.39
Street Cleaning	Burke, John H.	Laborer	956.55
	Cullen, John A.	Laborer	886.53
	Hanlon, William E.	Sweeper, Died 1923-24	942.44
	Henry, George C.	Sweeper	986.47
	Hurley, Cornelius T.	Laborer	1,132.62
	Kelly, John	Laborer, Paid 1925-26	1,016.67
	Long, Isaac N.	Laborer	

Office or Department	Name	Position	Death Benefits
Street Repair	McCarthy, Joseph D.	Laborer, Paid 1925-26	984.56
	Neeb, Fred	Laborer	1,010.25
	Rivest, John L.	Sweeper	1,022.85
	Stevenson, Charles	Sweeper	1,000.99
	Tracy, James	Laborer	1,380.17
Street Repair	Burke, James F.	Foreman	1,067.05
	Griffin, John M.	Laborer	1,624.20
	Kiernan, Thomas F.	Granite Cutter	1,307.58
	Moran, Bernard J.	Rammer	1,021.08
Playground	O'Keefe, Denis J.	Laborer	939.11
	Eagen, Patrick E.	Laborer	1,198.95
Sheriff	Lane, Edward B.	Laborer, Paid 1925-26	1,420.49
	Davis, Bernard E.	Jailer	1,481.24
Supervisors	Davey, William	Jailer	1,340.75
	McQuaide, James P.	Superintendent of Jails	1,840.63
Treasurer	Ryan, Lisette F.	Chief Matron	1,330.21
	Ahern, John	Assistant Clerk	
	Page, Wm. Merton	Assistant Bookkeeper	
Total Death Benefits Paid			\$77,536.06



## VI.

**San Francisco School Teachers Included in Retirement System**

On November 4, 1924, the people of the City and County of San Francisco adopted Charter Amendment No. 37 empowering the Board of Supervisors to bring teachers of the San Francisco School Department under the City Employees' Retirement System. The Charter Amendment was approved by the Legislature on January 21, 1925, and in June, 1925, the Board of Supervisors adopted the Ordinance necessary to carry out the intent of the Charter Amendment, October 1, 1925, being the date fixed for membership of teachers in the Retirement System to become effective.

Briefly, teachers will become members of the Retirement System on exactly the same basis as other employees with the exception that their rates of contribution and benefits will be based only on that portion of their salaries paid from funds contributed by the City and County of San Francisco, excluding the portion paid by the State of California. This means that about seventy per cent of the salary received by teachers will be taken into account by the Retirement System, the percentage, of course, varying from year to year.

The inclusion of teachers will increase the membership of the Retirement System by approximately twenty-five hundred, making the total membership of the Retirement System in excess of six thousand, six hundred.

## VII.

**Membership of the Board of Administration**

In accordance with Section 4, Article XVII of the Charter, the members of the Retirement System held an election from January 26 to February 10, 1925, both inclusive, for the purpose of choosing a member of the Board of Administration from among the active members of the System to take the place of Edward M. Coffey, whose term of office expired February 20, 1925. The ballots cast during the election were counted by the Registrar of Voters, who certified Charles A. McColm, the candidate receiving the highest number of votes, as being elected to membership on the Board of Administration. The membership of the Board is made up of the Chairman of the Finance Committee, Board of Supervisors; the Auditor of the City and County; three members elected from the active members of the Retirement System; a resident official of a life insurance company and an officer of a bank, both to be appointed by the Mayor. Arthur S. Holman, Manager of the Travelers Insurance Company, and DeWitt C. Treat, Cashier of the Mission Savings Bank, are the two officials appointed by the Mayor.

The expiration dates of the terms of the various members are as follows:

Name of Member	Expiration of Term
John W. Rogers.....	February 20, 1926
Thomas G. Riley.....	February 20, 1927
Arthur S. Holman.....	February 20, 1928
Dewitt C. Treat.....	February 20, 1929
Charles A. McColm.....	February 20, 1930

Supervisor Ralph McLeran, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION.

San Francisco City Employees' Retirement System.

RALPH R. NELSON,

JOHN W. ROGERS,

Secretary, Actuary

President



REPORT  
OF THE  
BOARD OF ADMINISTRATION  
San Francisco City  
Employees' Retirement System  
For the Fiscal Year Ending June 30, 1926

## I.

**STATEMENT OF THE INCOME AND DISBURSEMENTS DURING THE  
FISCAL YEAR 1925-1926 AND THE ASSETS AND  
LIABILITIES\* AT JUNE 30, 1926.**

1.	Ledger Assets at July 1, 1925.....		\$2,073,208.67
	<b>Income.</b>		
2.	Normal Contributions of Employees .....	\$ 506,994.87	
3.	Withdrawn Accumulated Contributions Redeposited .....	2,781.20	
4.	Additional Contributions of Employees .....	1,107.60	
5.	Contributions by City to Match Employees' Normal Contributions .....	506,994.87	
6.	Contribution by City to meet Prior Service Obligation .....	151,907.93	
7.	Contribution by City to meet Administrative Expenses .....	14,062.81	
8.	Contribution by City in Excess of Obligation (See Item 36).....	15,176.78	
9.	Interest on Investments .....	110,630.61	
10.	Total Income .....		\$1,309,656.67
11.			\$3,382,865.34
	<b>Disbursements.</b>		
12.	Accumulated Contributions Withdrawn .....	\$ 41,043.40	
13.	Service Retirement Allowances .....	118,344.07	
14.	Disability Retirement Allowances.....	8,062.46	
15.	Death Benefits to Members' Beneficiaries.....	68,641.39	
16.	Death Benefits to Retired Members' Beneficiaries .....	2,096.63	
17.	Administrative Expenses .....	14,062.81	
18.	Amortization of Bonds.....	2,605.21	
19.	Total Disbursements .....		254,855.97
20.	Balance, as per Ledger Assets, Item 25.....		\$3,128,009.37
	<b>Ledger Assets.</b>		
21.	Cash .....		\$ 3,714.52
22.	Bonds (See explanatory statement on page 3):		
	Alameda .....	\$ 264,346.89	
	Berkeley .....	3,160.02	
	California, State of.....	135,986.88	
	Eureka .....	15,774.62	
	Fresno .....	90,631.89	
	John Swett Union High School District.....	53,085.30	
	Modesto .....	503.52	
	Napa .....	10,939.00	
	Oakland .....	17,694.61	
	Palo Alto .....	32,844.03	
	Petaluma .....	19,498.22	
	Piedmont .....	17,847.60	
	Richmond .....	120,118.70	
	Sacramento .....	337,958.10	
	San Francisco .....	1,373,498.29	
	San Rafael .....	5,456.55	
	San Jose .....	8,312.11	
	Santa Rosa .....	12,309.30	
	Stockton .....	105,218.07	
	United States Government 4th Liberty Loan.....	416,888.76	\$3,092,072.46
23.	Accrued Interest .....		22,252.75
24.	Employees' Contributions in course of Collection .....		9,969.64
25.	Total Ledger Assets, as per Balance in Item 20 .....		\$3,128,009.37

## Non-Ledger Assets.

26. Present Value of City's Accumulated Contributions to be Released by Death.....	27,051.14
27. Present Value of City's Accumulated Contributions to be Released by Disability Retirement .....	8,478.66
28. Total Assets .....	\$3,163,539.17

## Liabilities.\*

29. Members' Accumulated Normal Contributions.....	\$1,480,740.93
30. Members' Accumulated Additional Contributions .....	2,126.59
31. City's Accumulated Contributions, Current Service (to match Employees' Normal Contributions) .....	1,480,740.93
32. City's Other Accumulated Contributions.....	90,107.31
33. Present Value of Service Retirement Allowances (Current Service) granted to retired members .....	69,088.64
34. Present Value of Disability Retirement Allowances (Current Service) granted to retired members .....	11,459.39
35. Ex-Members' Accumulated Contribution in Suspense .....	97.69
36. Account with City and County of San Francisco (See Item 8).....	15,176.78
37. Surplus .....	14,000.91
38. Total Liabilities .....	\$3,163,539.17

SEE SECTION II, PAGE 5, EXPLAINING ASSETS, LIABILITIES AND SURPLUS.

## Explanation of Financial Statement

Items 8-36.—Item 8, \$15,176.78, is the amount by which the City's contributions during the fiscal year exceeded the City's obligations under the System. In effect, this amount is owed by the Retirement System to the City, and is carried, therefore, as a liability in Item 36. The amount will be applied on the City's obligation for the fiscal year 1926-27, thus reducing the amount which otherwise would have to be included in the Budget.

Item 16.—This benefit was paid at the death of a retired member who elected, at the time of his retirement, to have his retirement allowance modified in accordance with Option No. 1, Section 18, Ordinance No. 5561 (New Series). Under this option a lesser retirement allowance is paid to the retired member with the provision that a death benefit shall be paid to his beneficiary.

Item 22.—The funds of the Retirement System are invested in United States Government Bonds, State of California Bonds, and Bonds of Northern California Municipalities or School Districts, as shown in the list under this item. The bonds are either direct obligations of the municipalities listed or of school districts which include within their boundaries one of these municipalities.

Item 24.—This item is made up of contributions from certain per diem employees on compensation earned during the last half of June.

\*The Liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for Item 32. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the city has definitely assumed the liability for prior service, whatever its amount may be (Section 10, Ordinance No. 5561, New Series.)

1926. The contributions were not received by the Retirement System until after the close of the fiscal year, because of the fact that pay rolls in such cases are not completed until about July 6th.

Item 26.—The death benefit provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death (Section 19, Ordinance No. 5561, New Series). The portion of this amount which is chargeable to current service must be provided from the accumulated contributions of the city. While the Retirement System is young, therefore, and before the City's accumulated contributions held for the benefit of a deceased member is equal to this portion of the six month's compensation earnable, the amount actually paid will exceed the amount on hand for that purpose, the excess to be made up in the future by the excess of the City's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years. Credit is taken in Item 26, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1926.

Item 27.—On account of the guarantee of a minimum disability benefit under the Retirement System (Section 16, Ordinance 5561, New Series), the present value of such benefits granted on account of current service and chargeable against the accumulated contributions of the city, while the System is young, will exceed the amount of the City's accumulated contributions held for the benefit of the members retired for disability. As in the case of death benefits explained in the preceding paragraph, this excess will be made up in the future by the excess of the City's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 27, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Items 29-31.—Item 29, \$1,480,740.93, is the total of all normal contributions (as distinguished from additional contributions) standing to the credit of individual members at June 30, 1926, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Normal contributions are matched, dollar for dollar, by the City, as evidenced by Item 31 (Section 5, Ordinance No. 5561, New Series).

Item 30.—This item of \$2,126.59 is the total of all additional contributions standing to the credit of individual members at June 30, 1926, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the City. The City does not match additional contributions (Section 5, Ordinance No. 5561, New Series).

Item 32.—This item of \$90,107.31 represents the City's accumulated

contributions released by the withdrawal by employees of their accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligation of the City on account of prior service of members (Section 7, Ordinance No. 5561, New Series).

Items 33-34.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the footnote on page 3, no notice is taken of benefits granted or to be granted on account of prior service.

Item 35.—Included in this item are the accumulated contributions of individuals whose memberships in the Retirement System have been terminated because of their separation from city-service, but, in whose cases, due to inability to deliver, the warrants drawn in refund of the accumulated contributions have been cancelled and the amounts held in suspense.

Item 37.—The surplus of \$14,000.91 is due entirely to the fact that the interest earned since the establishment of the Retirement System is greater than the interest credited to the members and the City on the contributions made by them. Interest at the rate of 4 per cent. per annum, compounded annually, is allowed on all contributions from the first day of the month following that for which contributions are made. The funds of the Retirement System are invested in bonds, as listed in Item 22, to yield from 4.30 to 4.80 per cent. As shown by the Statements of the Retirement System for previous fiscal years, the excess interest earned on investments has been offset in part by the facts that all the members' contributions are not received by the first day of the month following that for which contributions are made, that the City's contributions are not made until the taxes for the fiscal year are received in the Treasurer's Office and apportioned by the Auditor and Treasurer, and that a few days sometimes elapse after the receipt of the contributions before it is possible to invest them. During the fiscal year closing June 30, 1926, the excess interest earned was \$9,794.08, which added to the amount brought forward from the previous year gives the total of \$14,000.91 shown here.

## II.

### An Explanation as to Assets, Liabilities and Surplus

Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

Article XVII of the Charter and Ordinance No. 5561 (New Series) require that the Retirement System be established on the reserve basis, that is, that provision be made for liabilities when they are incurred instead of when they mature, a principle upon which every sound life insurance company and every sound retirement system is based. The principal cause of insolvency and inability to pay claims in the case of numerous pension funds has been the lack of a forecast of the cost of

benefits provided, and consequently, the failure to make provision for meeting those costs. The City and County of San Francisco and the members of the Retirement System could not be asked to contribute to a retirement system that is not sound not only for the present but for all the future as well. A retirement system to be sound must make provision for liabilities when they are incurred instead of when they mature.

Liabilities are incurred as service is rendered to the City and County by members of the Retirement System, and assets to meet these liabilities are provided by the contributions from members deducted from compensation paid for such service and by equal contributions from the City and County. Assets equal to Members' Accumulated Contributions must be on hand at all times to meet promises to refund such contributions upon separation from City-service or death or to apply them to purchase retirement allowances upon retirement. Assets in an equal amount must be on hand for the City's Accumulated Contributions.

Every dollar in the Retirement Fund is held to meet specific liabilities. These liabilities are listed in Items 29 to 38 on page 3 of this Report and are explained on pages 3, 4 and 5. As long as the assets of the Retirement System are used only to meet the liabilities for which they have been set aside, the time will never come when the City and County and the members of the System will be forced to choose between providing staggering sums or allowing the System to default in payments to members.

### III.

#### MEMBERSHIP

Number of members in Retirement System July 1, 1925.....	4,128	
Number of employees who became members during fiscal year .....	3,177	
		<hr/>
		7,305
Number of members who withdrew during fiscal year on account of separation from City-service.....	372	
Number of members who died during fiscal year.....	50	
Number of members who were retired during fiscal year.....	108	530
		<hr/>
Number of members in Retirement System June 30, 1926.....		6,775

### IV.

#### RETIREMENT OF MEMBERS

Number receiving retirement allowances at beginning of fiscal year .....	199
Members retired for service during fiscal year at age 70.....	63
Members retired for service during fiscal year at ages 62 to 69, both inclusive (after at least ten years of continuous service) .....	31
Members retired for service during fiscal year at ages 60 to 61, both inclusive (after at least thirty years of continuous service) .....	0

Members retired for disability during fiscal year (below age 62) .....	14	
Beneficiaries beginning to receive allowances upon death of retired members during fiscal year.....	0	
		<hr/>
		307
Retired members who died during fiscal year.....	27	
Retired members reinstated from disability retirement ..	1	
Beneficiaries who died during fiscal year.....	0	28
		<hr/>
Number receiving retirement allowances at June 30, 1926....		279
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series) included in total .....		2

**The total retirement allowances and death benefits paid to retired members and their beneficiaries during the fiscal year was \$128,503.16.**



Below is given a list of members retired during the fiscal year 1925-1926, arranged according to the offices or departments in which they were employed:

**Retired for Service.**

Office or Department	Name	Position	Retirement Became Effective	Date
Adult Probation	Nicholl, William H.	Chief Officer	Feb.	1, 1926
Education	Adams, Clara A.	Teacher	Oct.	1, 1925
	Barry, Mary E.	Teacher	Jan.	25, 1926
	Beardsley, Emma F.	Vice-Principal	Oct.	1, 1925
	Brogan, Katherine E.	Principal	June	1, 1926
	Brown, Annie M.	Teacher	Oct.	1, 1925
	Carey, Agnes A.	Teacher	Jan.	25, 1926
	Casey, Kate F.	Principal	April	1, 1926
	Classen, Louise M.	Teacher	May	1, 1926
	Connell, Mary I.	Teacher	Oct.	1, 1925
	Dignan, John P.	Janitor	Nov.	23, 1925
	Doyle, Michael J.	Teacher	Oct.	1, 1925
	Dunn, George F.	Janitor	May	1, 1926
	Durand, May R.	Principal	April	1, 1926
	Eaton, Pauline S.	Teacher	Oct.	1, 1925
	Elliot, Mary	Teacher	Feb.	1, 1926
	Ephraim, Aveline	Teacher	Nov.	1, 1925
	Gallagher, Rose C.	Teacher	Nov.	1, 1926
	Gannon, Mary F.	Teacher	Oct.	1, 1925
	Ganzert, Winifred	Janitress	Oct.	1, 1925
	Glennon, Isabel T.	Teacher	Aug.	17, 1925
	Goldsmith, Rose	Principal	Oct.	1, 1925
	Hackett, Eva S.	Teacher	Oct.	1, 1925
	Hare, Kate May	Teacher	Oct.	1, 1925
	Hart, Pauline	Principal	Oct.	1, 1925
	Hayes, Annie	Janitress	Oct.	1, 1925
	Heineberg, Laura	Teacher	Feb.	1, 1926
	Henderson, Mary J.	Vice-Principal	Oct.	1, 1925
	Hoogs, Mary A.	Teacher	Oct.	1, 1925
	Kervan, Ida M.	Principal	Oct.	1, 1925
	Klink, Jane S.	Teacher	Oct.	1, 1925
	Langstadter, Pauline	Teacher	Oct.	1, 1925
	McGeough, Rose T.	Teacher	May	1, 1926



## List of members retired during the fiscal year 1925-1926—Continued.

Office or Department	Name	Position	Date Retirement Became Effective
Police Dept.	Ranazzino, Giacomo	Cook	Aug. 16, 1925
Public Works, Board of Building Repair	Barry, Aaron J.	Janitor	Aug. 1, 1925
	Crove, Frank	Watchman	April 17, 1926
	Erickson, Charles M.	Janitor	July 16, 1921
	Hagan, Edward E.	Watchman	June 11, 1921
	McGuire, Arthur W.	Carpenter	July 1, 1925
Municipal Railway	Bradley, Charles L.	Painter	Mar. 1, 1921
	Curry, Peter	Trackman	June 1, 1926
	Donlon, Thomas	Motorman	Jan. 1, 1923
	Leighton, John B.	Adjuster of Claims	May 1, 1923
	Quinn, John	Conductor	June 1, 1926
Street Cleaning	White, John H.	Car Repairer	Aug. 1, 1925
	Barry, David E.	Laborer	July 26, 1925
	Carlson, Sven A.	Laborer	Feb. 1, 1926
	Gomez, Joseph L.	Sweeper	Oct. 1, 1925
	Walsh, Cornelius	Laborer	May 1, 1926
Street Repair	Glynn, Michael J.	Paver	Jan. 1, 1926
	Holmquist, Frank O.	Laborer	Feb. 1, 1926
	Kilmartin, Michael C.	Asphalt Finisher	Jan. 1, 1926
	Leahy, Dennis	Laborer	June 1, 1926
	McDermott, James P.	Asphalt Worker	Feb. 1, 1926
	Reynolds, John J.	Granite Cutter	Dec. 1, 1925
	Scullion, Patrick	Laborer	Dec. 1, 1925
	Shanduby, Clement	Laborer	Dec. 1, 1925
	Wallace, Thomas F.	Rammer	June 1, 1926
Sheriff	Valley, Thomas F.	Keeper	July 1, 1925
Supervisors, Board of	Donahue, James P.	Superintendent Auditorium	Aug. 1, 1925
		Retired for Disability	June 1, 1926
Education	Bretz, Bertha M.	Teacher	Oct. 1, 1925
	Cohen, Gertrude J.	Teacher	Oct. 5, 1925
	Devlin, Anna E.	Teacher	June 1, 1926
	Duggin, Minnie E.	Teacher	Dec. 1, 1925
	Harrower, Annie W.	Vice-Principal	Nov. 1, 1925
	Hawkins, Beatrice C.	Teacher	Oct. 6, 1925

## List of members retired during the fiscal year 1925-1926 (Continued.)

Office or Department	Name	Position	Date Retirement Became Effective
	Holmes, Mary J.	Janitress	Dec. 16, 1925
	Leigh, Mary W.	Teacher	May 1, 1926
	Leonard, Annie J.	Teacher	Oct. 14, 1925
	Murphy, Annette	Vice-Principal	Feb. 11, 1926
	Reiter, Maud J.	Teacher	Dec. 1, 1925
	Sullivan, Helen M.	Teacher	Oct. 13, 1925
Public Works, Board of			
Street Cleaning	Davis, Walter S.	Laborer	June 1, 1926
Side Sewers	Capp, Romeo J.	Sewerman	Oct. 1, 1925

## Deaths Among Retired Members

Below is given a list of retired members who died during the fiscal year 1925-1926:

Name	Date of Death	Name	Date of Death
Barry, David E.	Aug. 19, 1925	Hedges, Lucius	Aug. 21, 1925
Bergstrand, John A.	July 6, 1925	McCarthy, John	Aug. 12, 1925
Burke, William	Aug. 4, 1925	McLean, James	Mar. 22, 1926
Callaghan, Con	Mar. 12, 1926	Mills, Robert J.	Aug. 11, 1925
Capp, Romeo J.	Jan. 6, 1926	Mitchell, Grace D.	Apr. 22, 1926
Casserly, Thomas A.	Aug. 21, 1925	Miskel, William F.	Jan. 19, 1926
Coghlan, John	Oct. 19, 1925	Obram, Thomas G.	Dec. 17, 1925
Cunniff, Thomas	Feb. 14, 1926	Reilly, Michael	Apr. 2, 1926
Duebar, Peter	Dec. 5, 1925	Sullivan, Helen M.	Dec. 16, 1925
Eastwood, Richard	June 6, 1926	Thompson, James J.	Mar. 12, 1926
Elgin, Ira P.	Jan. 21, 1926	Walsh, James W.	Apr. 25, 1926
Foley, Hugh	Sept. 19, 1925	Welch, Lawrence J.	Jan. 26, 1926
Foley, Johanna E.	Feb. 16, 1926	Wilson, William R.	Sept. 27, 1925
Hahn, Anais	May 16, 1926		

## Reinstatement from Disability Retirement

The following individual was reinstated during the fiscal year from disability retirement and his membership in the Retirement System was terminated as the result of a court decision that he was entitled to the benefits of the Fireman's Relief Fund:

Name	Date of Reinstatement and Termination
Delany, William P.	Sept. 2, 1925

## V.

## Death Benefits

Below is given a list of members who died during the fiscal year, including claims incurred in the previous fiscal year but paid in 1925-1926, together with the offices or departments in which they were employed, and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
County Clerk	McKenna, Frank J.	Copyist	\$ 1,445.01
	Mogan, Joseph	Assistant Register Clerk	1,720.70
	Hanson, Edwin J.	Assistant District Attorney	1,579.39
	Alderson, Annie E.	Teacher	836.62
	Andrews, Annie	Janitress	1,019.48
	Bronson, Murrie B.	Teacher	909.52
	Cowan, Mary A.	Teacher	850.89
	Gull, Minnie S.	Teacher	903.87
	Hodgkinson, Frances	Teacher	1,062.56
	Kerr, Martin E.	Janitor, Died 1924-25	1,253.31
	Martin, Lillian G.	Teacher	1,139.80
	McLeran, Mary	Principal	1,442.54
	Meyer, George H.	Stenographer	1,841.44
	Quane, Mary T.	Janitress	860.73
	Johnson, Matthew C.	Fire Boat Pilot	1,836.12
Fire	Keeley, Patrick	Stationary Engineer	1,611.76
Health, Board of San Francisco Hospital	Meyer, Joseph J.	Sterilizer Man	706.58
	Wright, Manuel	Kitchen Porter	591.05
	Decker, Frederick A.	Foreman	1,392.95
Park	McGinn, John E.	Teamster	1,185.02
	Moriarty, John	Foreman	1,466.44
	Omeara, Annie	Janitress	592.23
	Sullivan, Thomas J.	Laborer	795.88
	Walsh, Edmund	Foreman	1,259.21
Playground	d'Or, Claude L.	Caretaker	1,124.43
	Lane, Edward B.	Laborer, Died 1924-25	981.07

## List of Death Benefits—Continued

Office or Department	Name	Position	Death Benefit
Public Works, Board of Engineering	Riley, James A.	Assessment Clerk	\$ 1,952.48
	Wood, Reuben J.	Consulting Structural Engineer	2,448.95
Municipal Railway	Benson, John	Trackman	1,125.14
	Duckner, Edgar L.	Motorman	1,075.08
	Kendrick, John K.	Conductor	825.96
	Riordan, John J.	Car Repairer	996.12
	Thompson, William A.	Conductor	.06
		(\$1,057.18 paid 1924-25)	
Sewer	O'Neill, Frank D.	Cleaner	1,493.28
	Winthrop, John A.	Cleaner	1,739.01
Street Cleaning	Henney, Jr., Martin	Sweeper	1,106.72
	Kelly, John	Sweeper, Died 1924-25	1,088.34
	Killilea, John P.	Laborer	1,118.65
	Lovett, Samuel M.	Watchman	1,153.54
	McCarthy, Joseph D.	Laborer, Died 1924-25	948.57
	Montgomery, George	Watchman	1,225.38
	Webb, Bartholomew	Laborer	1,102.26
Street Repair	Cornyn, William F.	Laborer	1,296.97
	Delany, John M.	Engineer	1,782.94
	Lally, Matthew E.	Watchman	1,127.30
	Moore, William S.	Laborer	1,038.75
	O'Regan, Thomas	Laborer	1,156.78
	Reagan, Thomas	Supt. of Stone Pavements	2,030.29
Recorder	Sarcander, Alvin	Laborer	1,206.58
	Urbais, Rudolph	Deputy	1,799.08
	Wilbur, Benjamin P.	Deputy	1,588.24
Sheriff	Daly, John W.	Jailer	989.87
	Walsh, James F.	Keeper	988.34
Tax Collector	O'Connor, Edward	Cashier	2,090.86
Treasurer	Nelson, Bernard F.	Deputy	1,738.15
Total Death Benefits Paid ..			\$68,641.39

## VI.

**San Francisco School Teachers Included in Retirement System**

On November 4, 1924, the people of the City and County of San Francisco adopted Charter Amendment No. 37 empowering the Board of Supervisors to bring teachers in the San Francisco School Department under the City Employees' Retirement System. The Charter Amendment was approved by the Legislature on January 21, 1925, and on June 15, 1925, the Board of Supervisors adopted the Ordinance necessary to carry out the intent of the Charter Amendment, October 1, 1925, being the date fixed for membership of teachers in the Retirement System to become effective. From October 1, 1925, to the end of the fiscal year at June 30, 1926, 2,392 teachers became members of the System. In arriving at this number, a teacher employed in both the day and evening schools is counted as one member.

Briefly, teachers became members of the Retirement System on exactly the same basis as other employees with the exception that their rates of contribution and benefits are based only on that portion of their salaries paid from funds contributed by the City and County of San Francisco, excluding the portion paid by the State of California. This means that about 73 per cent. of the salary received by teachers was taken into account during the fiscal year 1925-26 by the Retirement System, the percentage, of course, varying from year to year.

## VII.

**Membership of the Board of Administration**

In accordance with Section 4, Article XVII of the Charter, the members of the Retirement System held an election from January 26 to February 10, 1926, both inclusive, for the purpose of choosing a member of the Board of Administration from among the active members of the System to take the place of John W. Rogers, whose term of office expired February 20, 1926. The ballots cast during the election were counted by the Registrar of Voters, who certified John W. Rogers, the candidate receiving the highest number of votes, as being re-elected to membership on the Board of Administration. The membership of the Board is made up of the Chairman of the Finance Committee, Board of Supervisors; the Auditor of the City and County; three members elected from the active members of the Retirement System; a resident official of a life insurance company and an officer of a bank, both to be appointed by the Mayor. Arthur S. Holman, Manager of the Travelers Insurance Company, and DeWitt C. Treat, Cashier of the Mission Savings Bank, are the two officials appointed by the Mayor.

The expiration dates of the terms of the various members are as follows:

Name of Member	Expiration of Term
John W. Rogers.....	February 20, 1931
Thomas G. Riley.....	February 20, 1927
Arthur S. Holman.....	February 20, 1928
DeWitt C. Treat.....	February 20, 1929
Charles A. McCohn.....	February 20, 1930



Supervisor James B. McSheehy, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION,

San Francisco City Employees' Retirement System.

RALPH R. NELSON,  
Secretary-Actuary.

JOHN W. ROGERS,  
President.



# REPORT

OF THE

## BOARD OF ADMINISTRATION

### SAN FRANCISCO CITY

### EMPLOYEES' RETIREMENT SYSTEM

FOR THE FISCAL YEAR ENDING JUNE 30, 1927

## I.

**STATEMENT OF THE INCOME AND DISBURSEMENTS DURING  
THE FISCAL YEAR 1926-1927 AND THE ASSETS AND  
LIABILITIES\* AT JUNE 30, 1927.**

1.	Ledger Assets at July 1, 1926.....		\$3,128,009.37
	<b>Income</b>		
2.	Normal Contributions of Employees.....	\$ 590,207.48	
3.	Withdrawn Accumulated Contributions Rede- posited .....	3,230.40	
4.	Additional Contributions of Employees.....	1,958.02	
5.	Contributions by City to Match Employees' Nor- mal Contributions .....	590,207.48	
6.	Contribution by City to meet Prior Service Ob- ligation .....	227,773.99	
7.	Contribution by City to meet Administrative Ex- penses .....	13,935.71	
8.	Interest on Investments .....	167,070.66	
9.	Profit on Call or Sale of Securities.....	808.61	
10.	Total income .....		\$1,595,192.35
11.			\$4,723,201.72
	<b>Disbursements</b>		
12.	Accumulated Contributions Withdrawn.....	39,190.11	
13.	Service Retirement Allowances.....	173,724.59	
14.	Disability Retirement Allowances.....	15,290.76	
15.	Death Benefits to Members' Beneficiaries.....	113,537.36	
16.	Death Benefits to Retired Members' Beneficiaries	9,525.15	
17.	Administrative Expenses .....	13,935.71	
18.	Amortization of Bonds .....	5,194.28	
19.	City's Excess Contribution in 1925-26 applied on current Year's Obligation.....	15,176.78	
20.	Total Disbursements .....		385,574.74
21.	Balance, as per Ledger Assets, Item 29.....		\$4,337,626.98
	<b>Ledger Assets</b>		
22.	Cash .....		3,518.94
23.	Bonds, Government, State and Municipal:		
	Alameda .....	\$ 265,179.69	
	Berkeley .....	6,340.46	
	California, State of.....	167,360.67	
	East Bay Municipal Utility District.....	337,224.61	
	Eureka .....	24,471.56	
	Fresno .....	103,520.46	
	John Swett Union High School District.....	52,946.32	
	Marin Municipal Water District.....	39,231.11	
	Modesto .....	9,774.78	
	Napa .....	17,397.12	
	Oakland .....	28,921.86	
	Palo Alto .....	37,881.40	
	Petaluma .....	38,123.89	
	Piedmont .....	29,339.02	
	Richmond .....	219,570.67	
	Sacramento .....	341,208.97	
	San Francisco .....	1,415,440.75	
	San Jose .....	20,003.63	
	San Mateo .....	27,404.70	
	San Rafael .....	6,476.19	
	Santa Rosa .....	22,489.77	
	Stockton .....	114,053.87	
	United States Government 4th Liberty Loan....	417,335.26	\$3,741,696.76

24. Bonds, Public Utility:		
Coast Valleys Gas & Electric Co.....	\$ 25,009.20	
East Bay Water Co.....	152,591.50	
Pacific Telephone and Telegraph Co.....	76,769.14	
San Joaquin Light & Power Co.....	153,631.23	
San Jose Water Works.....	42,576.71	450,577.78
25. Bonds, Railroad:		
Southern Pacific Co. ....		37,326.65
26. Accrued Interest .....		68,034.24
27. Employees' Contributions in course of Collection .....		12,840.67
28. Account with City and County of San Francisco .....		23,631.94
29. Total Ledger Assets, as per Balance in Item 21..		\$4,337,626.98

#### Non-Ledger Assets

30. Present Value of City's Accumulated Contributions to be Released by Death.....	39,865.47
31. Present Value of City's Accumulated Contributions to be Released by Disability Retirement .....	17,767.57
32. Total Assets .....	\$4,395,260.02

#### Liabilities\*

33. Members' Accumulated Normal Contributions....	2,049,939.00
34. Members' Accumulated Additional Contributions .....	4,184.78
35. City's Accumulated Contributions, Current Service (to match Employees' Normal Contributions) .....	2,049,939.00
36. City's Other Accumulated Contributions.....	130,388.16
37. Present Value of Service Retirement Allowances (Current Service) granted to retired members..	99,357.10
38. Present Value of Disability Retirement Allowances (Current Service) granted to retired members .....	27,935.57
39. Ex-Members' Accumulated Contributions in Suspense .....	141.31
40. Surplus .....	33,375.10
41. Total Liabilities .....	\$4,395,260.02

**SEE SECTION II, PAGE 5, EXPLAINING ASSETS, LIABILITIES AND SURPLUS.**

#### Explanation of Financial Statement

Item 16.—This benefit was paid at the death of retired members who elected, at the time of their retirement, to have their retirement allowances modified in accordance with Option No. 1, Section 18, Ordinance No. 5561 (New Series). Under this option lesser retirement allowances are paid to retired members with the provision that death benefits shall be paid to their beneficiaries.

Items 23, 24, 25—The Funds of the Retirement System are invested in United States Government Bonds, State of California Bonds, Bonds of Northern California Municipalities or School Districts, Public Utility Bonds and Railroad Bonds, as shown in the lists under these

\*The Liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for Item 36. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the city has definitely assumed the liability for prior service, whatever its amount may be (Section 10, Ordinance No. 5561, New Series).

items. The municipal bonds are either direct obligations of the municipalities listed in Item 23 or of school districts which include within their boundaries one of these municipalities.

Item 27.—This item is made up of contributions from certain per diem employees on compensation earned during the last half of June, 1927. The contributions were not received by the Retirement System until after the close of the fiscal year, because of the fact that pay rolls in such cases are not completed until about July 6th.

Item 30.—The death benefit provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death (Section 19, Ordinance No. 5561, New Series). The portion of this amount which is chargeable to current service must be provided from the accumulated contributions of the City. While the Retirement System is young, therefore, and before the City's accumulated contributions held for the benefit of a deceased member is equal to this portion of the six months' compensation earnable, the amount actually paid will exceed the amount on hand for that purpose, the excess to be made up in the future by the excess of the City's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years. Credit is taken in Item 30, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1927.

Item 31.—On account of the guarantee of a minimum disability benefit under the Retirement System (Section 16, Ordinance No. 5561, New Series), the present value of such benefits granted on account of current service and chargeable against the accumulated contributions of the City, while the System is young, will exceed the amount of the City's accumulated contributions held for the benefit of the members retired for disability. As in the case of death benefits explained in the preceding paragraph, this excess will be made up in the future by the excess of the City's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 31, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Items 33-35.—Item 33, \$2,049,939.00, is the total of all normal contributions (as distinguished from additional contributions) standing to the credit of individual members at June 30, 1927, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made. Normal contributions are matched, dollar for dollar, by the City, as evidenced by Item 35 (Section 5, Ordinance No. 5561, New Series).

Item 34.—This item of \$4,184.78 is the total of all additional contributions standing to the credit of individual members at June 30, 1927, together with interest at 4 per cent. per annum, compounded

annually, from the first day of the month following that for which the contributions were made. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the City. The City does not match additional contributions (Section 5, Ordinance No. 5561, New Series).

Item 36.—This item of \$130,388.16 represents the City's accumulated contributions released by the withdrawal of employees of their accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligation of the City on account of prior service of members (Section 7, Ordinance No. 5561, New Series).

Items 37-38.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the footnote on page 3, no notice is taken of benefits granted or to be granted on account of prior service.

Item 39.—Included in this item are the accumulated contributions of individuals whose memberships in the Retirement System have been terminated because of their separation from city-service, but, in whose cases, due to inability to deliver, the warrants drawn in refund of the accumulated contributions have been cancelled and the amounts held in suspense.

Item 40.—The surplus of \$33,375.10 is due entirely to the fact that the interest earned plus the profit from sale or call of securities since the establishment of the Retirement System is greater than the interest credited to the members and the City on the contributions made by them. Interest at the rate of 4 per cent. per annum, compounded annually, is allowed on all contributions from the first day of the month following that for which contributions are made. The funds of the Retirement System are invested in bonds, as listed in Items 23, 24 and 25, to yield from 4.30 to 5.35 per cent. As shown by the Statements of the Retirement System for previous fiscal years, the excess interest earned on investments has been offset in part by the facts that all the members' contributions are not received by the first day of the month following that for which contributions are made, that the City's contributions are not made until the taxes for the fiscal year are received in the Treasurer's Office and apportioned by the Auditor and Treasurer, and that a few days sometimes elapse after the receipt of the contributions before it is possible to invest them. During the fiscal year closing June 30, 1927, the excess interest earned, plus the profit from sale or call of bonds, was \$19,374.19 which added to the amount brought forward from the previous year gives the total of \$33,375.10 shown here.

## 11.

### An Explanation as to Assets, Liabilities and Surplus

Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable



for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

Article XVII of the Charter and Ordinance No. 5561 (New Series) require that the Retirement System be established on the reserve basis, that is, that provision be made for liabilities when they are incurred instead of when they mature, a principle upon which every sound life insurance company and every sound retirement system is based. The principal cause of insolvency and inability to pay claims in the case of numerous pension funds has been the lack of a forecast of the cost of benefits provided, and consequently, the failure to make provision for meeting those costs. The City and County of San Francisco and the members of the Retirement System could not be asked to contribute to a retirement system that is not sound not only for the present but for all the future as well. A retirement system to be sound must make provision for liabilities when they are incurred instead of when they mature.

Liabilities are incurred as service is rendered to the City and County by members of the Retirement System, and assets to meet these liabilities are provided by the contributions from members deducted from compensation paid for such service and by equal contributions from the City and County. Assets equal to Members' Accumulated Contributions must be on hand at all times to meet promises to refund such contributions upon separation from City-service or death or to apply them to purchase retirement allowances upon retirement. Assets in an equal amount must be on hand for the City's Accumulated Contributions.

Every dollar in the Retirement Fund is held to meet specific liabilities. These liabilities are listed in Items 33 to 40 on page 2 of this Report and are explained on pages 4 and 5. As long as the assets of the Retirement System are used only to meet the liabilities for which they have been set aside, the time will never come when the City and County and the members of the System will be forced to choose between providing staggering sums or allowing the System to default in payments to members.

### III.

#### MEMBERSHIP

Number of members in Retirement System July 1, 1926....	6,775
Number of employees who became members during fiscal year .....	908
Former teachers who became members in accordance with Section 9, Article XVII of the Charter.....	167
	<hr/> 7,850
Number of members who withdrew during fiscal year on account of separation from City-service.....	388
Number of members who died during fiscal year.....	90
Number of members who were retired during fiscal year..	244
	<hr/> 722
Number of members in Retirement System June 30, 1927..	<hr/> 7,128

## IV.

## RETIREMENT OF MEMBERS

Number receiving retirement allowances at beginning of fiscal year .....	279	
Members retired for service during fiscal year at age 70...	22	
Members retired for service during fiscal year at ages 62 to 69, both inclusive (after at least ten years of continuous service) .....	43	
Members retired for service during fiscal year at ages 60 to 61, both inclusive (after at least thirty years of continuous service) .....	2	
Members retired for disability during fiscal year (below age 62) .....	16	
Beneficiaries beginning to receive allowances upon death of retired members during fiscal year.....	0	
Former teachers retired under Section 9, Article XVII of the Charter .....	161	
	<hr/>	523
Retired members who died during fiscal year.....	24	
Retired members reinstated from service retirement.....	1	
Beneficiaries who died during fiscal year .....	0	25
	<hr/>	<hr/>
Number receiving retirement allowances at June 30, 1927..	498	
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series) included in total .....	2	

The total retirement allowances and death benefits paid to retired members and their beneficiaries during the fiscal year was \$198,540.50.

Below is given a list of members retired during the fiscal year 1926-27, arranged according to the offices or departments in which they were employed, names of former teachers retired under Charter Amendment 34, adopted in November, 1926, being marked with an asterisk:

### Retired for Service

Office or Department	Name	Position	Date Retirement Became Effective
Education, Board of.....	Adams, Lucy F.....	Principal.....	July 1, 1926
	*Banning, Frances A.....	Principal.....	May 1, 1927
	*Barber, Emma J.....	Teacher.....	May 1, 1927
	*Bigelow, Susan H.....	Teacher.....	May 1, 1927
	*Bigley, Jane A.....	Teacher.....	May 1, 1927
	*Boland, Joanna M.....	Teacher.....	May 1, 1927
	*Bonelli, Edith M.....	Teacher.....	May 1, 1927
	*Bradbury, Vesta E.....	Teacher.....	May 1, 1927
	*Brooks, Elisha.....	Principal.....	May 1, 1927
	*Browne, Esther.....	Teacher.....	May 1, 1927
	Bryant, Thomas F.....	Janitor.....	Sept 1, 1926
	*Burnham, Cordelia.....	Teacher.....	May 1, 1927
	*Burnham, Lucretia.....	Teacher.....	May 1, 1927
	*Campbell, Anne B.....	Teacher.....	May 1, 1927
	*Campbell, Ruth G.....	Teacher.....	May 1, 1927
	*Canham, Mary J.....	Teacher.....	May 1, 1927
	Casey, Mary E.....	Teacher.....	July 1, 1926
	*Cashin, Margaret G.....	Teacher.....	May 1, 1927
	*Childs, Katie B.....	Teacher.....	May 1, 1927
	Cove, Emily A.....	Teacher.....	July 1, 1926
	*Cox, Mary M.....	Teacher.....	May 1, 1927
	*Crowley, Elizabeth.....	Teacher.....	May 1, 1927
	Crowley, Kate H.....	Principal.....	July 1, 1926
	Cullen, Jennie.....	Teacher.....	July 1, 1926
	Curry, Margaret E.....	Teacher.....	Oct. 10, 1926
	*Curtis, Corinna M.....	Teacher.....	May 1, 1927
	*Davis, Fannie V.....	Teacher.....	May 1, 1927
	*Deal, Louise B.....	Teacher.....	May 1, 1927
	*Derham, Theresa E.....	Teacher.....	May 1, 1927
	*Dolan, Mary J.....	Teacher.....	May 1, 1927
	*Donnelly, Margaret L.....	Vice-Principal.....	May 1, 1927
	*Donovan, Ellen.....	Teacher.....	May 1, 1927
	*Doran, Julia A.....	Teacher.....	May 1, 1927
	*Doughty, Mary A.....	Teacher.....	May 1, 1927
	Duffy, Alicia A.....	Teacher.....	Jan. 24, 1927
	*Dunn, Catherine E.....	Teacher.....	May 1, 1927
	*Dworzack, Bertha E.....	Teacher.....	May 1, 1927
	*Earle, Susie H.....	Principal.....	May 1, 1927
	*Emmons, Idella C.....	Teacher.....	May 1, 1927
	*Erkson, Jane H.....	Teacher.....	May 1, 1927
	*Fairchild, Maria E.....	Teacher.....	May 1, 1927
	*Fay, Mary A.....	Teacher.....	May 1, 1927
	*Fay, Rose.....	Teacher.....	May 1, 1927
	*Fischer, Frank.....	Teacher.....	May 1, 1927
	*Fischer, Jennie.....	Teacher.....	May 1, 1927
	Flynn, Mary E.....	Teacher.....	July 1, 1926
	*Gallagher, Annie M.....	Teacher.....	May 1, 1927
	Gallagher, Cora.....	Principal.....	July 1, 1926
	*Goggin, Emily M.....	Teacher.....	May 1, 1927
	Goldsmith, Ada.....	Vice-Principal.....	Jan. 24, 1927
	*Graham, Elizabeth M.....	Principal.....	May 1, 1927
	*Grant, Ellen G.....	Teacher.....	May 1, 1927
	*Greenhood, Frances.....	Teacher.....	May 1, 1927
	*Greer, Jane E.....	Teacher.....	May 1, 1927
	*Grimm, Adele L.....	Teacher.....	May 1, 1927
	*Grosjean, Eily S. M.....	Teacher.....	May 1, 1927
	Hall, Henry C.....	Teacher.....	July 1, 1926

## Service Retirements—Continued

Office or Department	Name	Position	Date Retirement Became Effective
Education, Board of, cont'd..	*Ham, Charles H.	Vice-Principal	May 1, 1927
	Hanlon, Louise R.	Teacher	Jan. 1, 1927
	*Hare, Fannie	Teacher	May 1, 1927
	*Harrison, Eugenia C.	Teacher	May 1, 1927
	*Hart, Christine	Vice-Principal	May 1, 1927
	*Hart, Lydia	Teacher	May 1, 1927
	*Hatch, Louise R.	Teacher	May 1, 1927
	*Hawley, Mary E.	Teacher	May 1, 1927
	Haynes, Florence S.	Teacher	July 1, 1926
	*Heney, Elizabeth S.	Teacher	May 1, 1927
	*Hertz, Regina	Teacher	May 1, 1927
	Hill, Margaret E.	Teacher	May 1, 1927
	Hinds, Annie	Teacher	Oct. 1, 1926
	*Hochheimer, Julia	Teacher	May 1, 1927
	Holmes, Mary B.	Teacher	Jan. 1, 1927
	*Horn, Laura J.	Teacher	May 1, 1927
	*Horton, Marie	Teacher	May 1, 1927
	*Huntley, Antoinette M.	Teacher	May 1, 1927
	*Iredale, Ella B.	Principal	May 1, 1927
	*Jacobs, Rebecca	Teacher	May 1, 1927
	Jenkins, Sarah E.	Principal	April 1, 1927
	*Jewett, Fidelia	Teacher	May 1, 1927
	*Johnson, Avalin E.	Teacher	May 1, 1927
	*Johnston, Clara M.	Principal	May 1, 1927
	Jones, Sarah J.	Principal	May 1, 1927
	Jordi, Sarah J.	Teacher	July 1, 1926
	*Josselyn, Ada M.	Teacher	May 1, 1927
	*Kaplan, Marie E.	Teacher	May 1, 1927
	Kean, Kathleen E.	Teacher	July 1, 1926
	*Kellogg, Adelbert E.	Principal	May 1, 1927
	*Kennedy, Josephine	Teacher	May 1, 1927
	Kenny, Jeremiah	Janitor	Jan. 1, 1927
	*King, Jessie L.	Teacher	May 1, 1927
	*Kollmyer, Kate	Teacher	May 1, 1927
	*Lambert, Daniel	Teacher	May 1, 1927
	Laven, Sarah F.	Teacher	Sept. 11, 1926
	Leviele, Blanche E.	Teacher	July 1, 1926
	Lewis, Julia M.	Teacher	Oct. 13, 1926
	Lissak, Maude	Teacher	Nov. 1, 1926
	*Lundt, Jennie C.	Teacher	May 1, 1927
	*Lyser, Albert	Principal	May 1, 1927
	*Maccord, Louise	Teacher	May 1, 1927
	*Macdonald, Belle L.	Teacher	May 1, 1927
	*Maguire, Marguerite E.	Teacher	May 1, 1927
	*Mahoney, Margaret J.	Teacher	May 1, 1927
	*Mandeville, Katherine	Teacher	May 1, 1927
	*Martini, Mary G.	Vice-Principal	May 1, 1927
	*McColgan, Katherine F.	Vice-Principal	May 1, 1927
	*McCorkell, Lizzie	Teacher	May 1, 1927
	*McGuire, Mary	Teacher	May 1, 1927
	*McLaughlin, Abbie	Teacher	May 1, 1927
	*McNicol, Belle	Teacher	May 1, 1927
	McPherson, Sina W.	Teacher	July 1, 1926
	*Melody, Adelaide F.	Teacher	May 1, 1927
	*Meyer, Rachel	Teacher	May 1, 1927
	*Miley, Annette D.	Teacher	May 1, 1927
	*Millar, Sara H.	Vice-Principal	May 1, 1927
	*Miller, Emma J.	Teacher	May 1, 1927
	*Miller, Sarah E.	Teacher	May 1, 1927
	*Mills, Ida E.	Principal	May 1, 1927
	*Mitchell, Addie J.	Teacher	May 1, 1927
	*Moore, Elizabeth B.	Teacher	May 1, 1927
	*Moynihan, Nora T.	Teacher	May 1, 1927

## Service Retirements—Continued

Office or Department	Name	Position	Date Retirement Became Effective
Education, Board of, cont'd...	Murphy, Jennie L.	Teacher	May 20, 1927
	*Nicholl, Clothilde C.	Teacher	May 1, 1927
	Noon, Margaret A.	Teacher	May 1, 1927
	Noon, Mary G.	Vice-Principal	Feb. 15, 1927
	*O'Brien, Leonora	Teacher	May 1, 1927
	O'Connell, Anna M.	Principal	Jan. 1, 1927
	*O'Connor, Elizabeth	Teacher	May 1, 1927
	*O'Loughlen, Nellie	Vice-Principal	May 1, 1927
	*Packham, Elisabeth D.	Principal	May 1, 1927
	*Page, Catherine H.	Teacher	May 1, 1927
	*Paxton, Katherine R.	Teacher	May 1, 1927
	*Perlet, Hattie F.	Teacher	May 1, 1927
	*Phelps, Josephine H.	Teacher	May 1, 1927
	Power, Patrick W.	Janitor	Sept. 1, 1926
	*Powers, Margaret V.	Teacher	May 1, 1927
	*Prag, Mary	Vice-Principal	May 1, 1927
	*Raclet, Victorine M.	Teacher	May 1, 1927
	*Reeves, Irene M. D.	Teacher	May 1, 1927
	*Rich, Lenora A.	Teacher	May 1, 1927
	*Roberts, Mary E.	Teacher	May 1, 1927
	Ryan, Belle	Teacher	Jan. 1, 1927
	Salcido, Manuela G.	Teacher	May 1, 1927
	*Schmit, James J.	Teacher	May 1, 1927
	Scott, Arthur Walter	Principal	Nov. 11, 1926
	*Scott, Josephine M. E.	Teacher	May 1, 1927
	*Seabrook, Nellie K.	Teacher	May 1, 1927
	*Shea, Anna B.	Teacher	May 1, 1927
	*Simms, Esther	Vice-Principal	May 1, 1927
	*Simon, Malvina	Teacher	May 1, 1927
	*Simpson, Sarah S.	Teacher	June 9, 1927
	*Sleeper, Mary	Teacher	May 1, 1927
	Smith, Annie H.	Teacher	Oct. 10, 1926
	*Smith, Margaret A.	Teacher	May 1, 1927
	*Soule, Fannie L.	Teacher	May 1, 1927
	*Sprott, Madge	Teacher	May 1, 1927
	*Stallman, Nettie C.	Teacher	May 1, 1927
	*Stewart, Virginia	Teacher	May 1, 1927
	*Stincen, Ella E.	Teacher	May 1, 1927
	*Sullivan, Nellie	Teacher	May 1, 1927
	*Unger, Annie N.	Teacher	May 1, 1927
	*Unger, Rachel	Teacher	May 1, 1927
	Van Den Bergh, Flora	Teacher	July 1, 1926
	*Van Vleck, Marca	Teacher	May 1, 1927
	Wade, Janet	Principal	April 1, 1927
	Wade, Lucy	Teacher	July 1, 1926
	Watson, James R.	Teacher	Jan. 24, 1927
	*Wettig, Anna	Teacher	May 1, 1927
	*Whirlow, Harriet E.	Teacher	May 1, 1927
	*Wigand, Sophie	Teacher	May 1, 1927
	Wiseman, Mary L.	Teacher	Sept. 16, 1926
Electricity, Dept. of	Burnet, Henry M.	Instrument Maker	July 1, 1926
Health, Board of	Quillen, Edward J.	Laundryman	Mar. 4, 1927
	Bird, Wm. E.	Lockerman	May 1, 1927
	Snelling, Richard W.	Waiter	Jan. 1, 1927
	Stall, Richard S.	Engineer	Mar. 25, 1927
	Atkinson, John R.	Foreman	June 1, 1927
Park Commission	Durkin, Patrick H.	Laborer	July 1, 1926
	Franchi, Louisa	Attendant	Aug. 1, 1926
	O'Connell, James	Foreman	Sept. 1, 1926
	Smith, Patrick J.	Laborer	Dec. 1, 1926
Public Works, Board of			
	Building Repair		
	Harders, Geo. W.	Janitor	Mar. 1, 1927
	Morton, Henrie F.	Foreman Carpenter	Nov. 1, 1926

## Service Retirements—Continued

Office or Department	Name	Position	Date Retirement Became Effective
Municipal Railway .....	Chadbourne, Samuel W.	Conductor.....	Mar. 1, 1927
	Faulkner, Henry J.	Conductor.....	July 1, 1926
	Marshall, John	Trackman.....	June 25, 1927
	Ridley, Geo. I.	Motorman.....	Feb. 1, 1927
Street Cleaning .....	Allen, Ethan J.	Sweeper.....	Sept. 14, 1926
Street Repair .....	O'Keeffe, Arthur	Laborer.....	Nov. 25, 1926
	Brandes, Anton	Laborer.....	April 1, 1927
	Dunne, Michael J.	Asphalt Worker.....	Oct. 1, 1926
	Evans, James	Stationary Fireman.....	Oct. 1, 1926
	Leary, John W.	Foreman Paver.....	Jan. 1, 1927
	Lyons, Patrick D.	Asphalt Worker.....	April 15, 1927
Supervisors, Board of .....	McLaughlin, John	Laborer.....	Nov. 1, 1926
	Cleary, Thomas	Ass't. Clerk.....	June 1, 1927
Tax Collector .....	Miller, James L.	Deputy.....	Jan. 1, 1927
Retired for Disability			
Auditor .....	Tripp, Edwin B.	Deputy.....	Mar. 1, 1927
Education, Board of.....	Bassett, Mollie G.	Janitress.....	Feb. 1, 1927
	Bertorelli, John	Janitor.....	April 1, 1927
	* Birch, Lillian L.	Teacher.....	May 1, 1927
	* Bishop, Louise M.	Teacher.....	May 1, 1927
	* Bonnell, Geraldine D.	Teacher.....	May 1, 1927
	* Booth, Madeline	Teacher.....	May 1, 1927
	* Claiborne, Rose V.	Teacher.....	May 1, 1927
	* Croyland, Adeline B.	Teacher.....	May 1, 1927
	* Curran, Nellie G.	Teacher.....	May 1, 1927
	* De Forrest, Susan V.	Teacher.....	May 1, 1927
	Delaney, Kate F.	Teacher.....	Sept. 15, 1926
	Duxbury, Minnie M.	Teacher.....	July 1, 1926
	* Eccles, Elizabeth B.	Teacher.....	May 1, 1927
	* Evans, Isabel	Teacher.....	May 1, 1927
	* Fleming, Hilda	Teacher.....	May 1, 1927
	* Fraser, Lulu Morgan	Teacher.....	May 1, 1927
	* Fredericks, Elizabeth L.	Teacher.....	May 1, 1927
	* Griffin, Eva F.	Teacher.....	May 1, 1927
	* Hall, Mary V.	Teacher.....	May 1, 1927
	* Harney, Anna	Teacher.....	May 1, 1927
	Hetzer, Magdalene	Teacher.....	Sept. 1, 1926
	* Kay, Dora	Teacher.....	May 1, 1927
	* MacLean, Flora M.	Teacher.....	May 1, 1927
	* Maguire, Harriet Ellen	Teacher.....	May 1, 1927
	* McAllister, Frances H.	Teacher.....	May 1, 1927
	McArthur, Mary A.	Teacher.....	Sept. 1, 1926
	* McCarty, Eugenie B.	Teacher.....	May 1, 1927
	* Miel, Marion S.	Teacher.....	May 1, 1927
	* Murphy, Matilda B.	Teacher.....	May 1, 1927
	* O'Leary, Ella R.	Teacher.....	May 1, 1927
	* Power, Anna K.	Teacher.....	May 1, 1927
	* Sankey, Mabel F.	Teacher.....	May 1, 1927
	* Schmidt, Laura S.	Teacher.....	May 1, 1927
	* Silver, Maude M.	Teacher.....	May 1, 1927
	* Stack, Christine M.	Teacher.....	May 1, 1927
	* Thompson, Ida M.	Teacher.....	May 1, 1927
	* Wight, Mary V.	Teacher.....	May 1, 1927
	* Willet, Minnie A.	Teacher.....	May 1, 1927
Public Works, Board of			
Building Repair .....	Fay, Thomas F.	Elevator Operator.....	May 1, 1927
	Krow, Max	Janitor.....	April 1, 1927
Municipal Railway .....	Eisbert, Wm.	Trackman.....	Sept. 1, 1926
	Gore, Alvenza E.	Painter.....	May 1, 1927
	Johnson, August	Conductor.....	Oct. 1, 1926
	Johnson, Mark	Conductor.....	Nov. 1, 1926
	McDonald, John T.	Inspector.....	June 1, 1927
Street Cleaning .....	Newhouse, Wm. G.	Motorman.....	Sept. 1, 1926
	Isaacs, Louis	Laborer.....	April 1, 1927

### Deaths Among Retired Members

Below is given a list of retired members who died during the fiscal year 1926-27:

Name	Date of Death	Name	Date of Death
Berg, Herman J.....	June 12, 1927	McGeough, Rose T.....	Nov. 15, 1926
Blakeley, Joseph H.....	May 2, 1927	McPherson, Sina W.....	Sept. 19, 1926
Classen, Louise M.....	Feb. 21, 1927	Morgan, John.....	June 18, 1927
Creedon, Jeremiah.....	Aug. 4, 1926	Murphy, Annette.....	Mar. 21, 1927
Curry, Margaret E.....	June 3, 1927	Norton, Malachi.....	May 10, 1927
Daly, Denis.....	Oct. 8, 1926	O'Keefe, Daniel.....	July 4, 1926
Devlin, Anna E.....	Sept. 20, 1926	Robertson, James L.....	April 11, 1927
Evans, James.....	Nov. 27, 1926	Robinson, Lewis C.....	Aug. 26, 1926
Hall, Henry C.....	Nov. 24, 1926	Smith, Patrick J.....	May 4, 1927
Hoffman, Jane.....	Feb. 12, 1927	Thompson, James M.....	Feb. 21, 1927
Hoogs, Mary A.....	Dec. 6, 1926	Telford, John F.....	May 5, 1927
McArthur, Mary A.....	Nov. 9, 1926	Wood, Ida B.....	June 25, 1927

### Reinstatement from Service Retirement

The following individual was reinstated during the fiscal year from service retirement and his membership in the Retirement System was terminated as the result of a court decision that he was not subject to the Retirement Law:

Name	Date of Reinstatement and Termination
Nicholl, William H.....	June 30, 1927

### V.

### DEATH BENEFITS

Below is given a list of members who died during the fiscal year, together with the offices or departments in which they were employed, and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
Assessor .....	Riley, Edward A.....	Deputy .....	\$ 2,300.82
	Sullivan, George H.....	Deputy .....	2,185.92
Civil Service Commission.....	Johnson, Clare E.....	Ass't. Secretary .....	1,688.11
County Clerk .....	Crowley, Wm. M.....	Deputy .....	1,573.59
Education, Board of.....	Archer, Charles H.....	Janitor .....	1,192.18
	Bray, Louisa F.....	Principal .....	1,513.35
	Buttner, Violet V.....	Teacher .....	Paid 1927-28
	Clary, Agnes E.....	Teacher .....	974.77
	Ephraim, Moses A.....	Janitor .....	Paid 1927-28
	Grace, Helen M.....	Teacher .....	1,236.55
	Haussler, Margaret F.....	Teacher .....	1,068.06
	Maher, Minnie.....	Teacher .....	1,115.20
	McCauley, Mary A.....	Teacher .....	1,073.95
	Millie, Mabel F.....	Teacher .....	1,166.74
	Monks, Genevieve M.....	Teacher .....	731.61
	Reid, Mabel Frances.....	Teacher .....	895.23
	Scott, Elizabeth.....	Principal .....	1,246.48
	Washabaugh, Lorena M.....	Teacher .....	905.89
Elections, Dept. of.....	O'Donnell, Edward I.....	Deputy .....	1,796.99
Health, Board of			
Central Office .....	Hollis, Seth A.....	Tenement House Inspector .....	1,276.99
		School Inspector.....	1,684.92
	Starr, Frederick R.....	School Inspector.....	1,439.57
	Witter, Eva L.....	Inspector .....	1,439.57



## List of Death Benefits—Continued

Office or Department	Name	Position	Death Benefit
Relief Home	Arnfield, Percival J. W.	Orderly	\$ 686.26
	Gunst, Joseph H.	Chief Steward	2,064.23
	Nelson, John	Cook	1,567.43
San Francisco Hospital	Bowker, Fannie E.	Acting Supt. of Isolation Hospital	1,991.31
	Burke, Anna O.	Practical Nurse	608.00
	Kathrimer, Grace V.	Graduate Nurse	1,119.00
	Meltzer, Otto J.	Pantryman	1927-28 Paid
	Spoone, Richard	Pantryman	796.19
Park Commission	Bonnet, Helen M.	Publicity Director	779.50
	Dennis, Clementine A.	Janitress	519.95
	Fairman, Margaret B.	Accountant	2,342.49
	McHugh, Thomas	Foreman	1,660.21
	Millmore, Carrie M.	Manager Chalet	956.07
	Mitchell, Charles	Foreman	1,534.24
	Moriarty, James P.	Foreman	1,453.71
	Morton, Michael T.	Laborer	735.74
	Ramari, Selina	Attendant	479.30
	Scramaglia, James	Teamster	1,102.25
Playground Commission	Doughty, Raeburn	Director	1927-28 Paid
	Gannon, Alfred J.	Laborer	874.34
	Lilienthal, Fred W.	Laborer	1,413.23
Public Works, Board of Administrative	Farrell, James W.	Ass't. Serviceman	1,478.52
	Hill, John P.	Stenog'r-Typewriter	1,054.26
	O'Donnell, Eugene W.	Watchman	1,389.92
Building Repair	Banks, Wm. E.	Painter	1,448.85
	Buchanan, Wm.	Painter	1,873.72
	Kenny, James J.	Steamfitter	2,045.94
	Lane, John T.	Foreman Painter	2,144.33
	McColm, Charles A.	Carpenter	1,849.43
	Streett, Arthur J.	Foreman Painter	2,196.76
	Young, Albert	Janitor	1,215.86
Engineering	Walsh, Walter Joseph	Inspector of Streets and Sewers	1,688.65
Municipal Railway	Cameron, James A.	Lineman	1,484.97
	Costello, Patrick	Trackman	1,178.80
	Evans, Albert S.	Bookkeeper	2,965.15
	Fitzpatrick, Dennis	Motorman	1,330.75
	Milnor, Clarence H.	Motorman	1927-28 Paid
	Murtle, Thomas	Conductor	1,205.30
	O'Connor, Michael	Motorman	1,353.10
	Quigley, John G.	Blacksmith's Helper	1927-28 Paid
	Ryan, Wm. P.	Motorman	1,228.00
	Stanley, John F.	Conductor	1,190.00
	Walsh, Joseph S.	Inspector	1,003.66
	Wilslow, Thomas	Motorman	1,340.20
Sewer	Buckley, Daniel D.	Sewerman	959.36
	Sainaghi, Christopher	Laborer	1,117.79
Street Cleaning	Lavery, John J.	Laborer	1,223.47
	Loftus, Patrick H.	Laborer	1,347.53
	McCann, John	Sweeper	1,121.81
	McKenna, Thomas	Sweeper	1,124.45
	Shields, Thomas J.	Laborer	1,226.17
Street Repair	Briones, Paul	Laborer	1,060.92
	Dempsey, Martin J.	Rammer	1,395.16
	Douglass, Malcolm Y.	Chauffeur	1,297.81
	Gorman, John V.	Laborer	1,113.01
	Hanrahan, David B.	Laborer	845.01
	McCorrison, Louis R.	Granite Cutter	1,771.97
	McEnerney, John	Laborer	1,294.51
	McGowan, Philip E.	Granite Cutter	2,010.55

## List of Death Benefits—Continued

Office or Department	Name	Position	Death Benefit
Sheriff .....	Bannon, Malachi .....	Jailer .....	\$ 576.37
	Burnham, Nelson H. ....	Keeper .....	1,122.98
	Clawson, Frank E. ....	Keeper .....	936.76
	Furlong, Thomas F. ....	Deputy .....	1,499.05
	MacDonald, John T. ....	Keeper .....	1,016.83
	O'Connor, James W. ....	Jailer .....	1,818.06
	Schulken, Frederick J. ....	Deputy .....	1,748.13
Supervisors, Board of ..	Drady, Robert G. ....	Supt. of Auditorium ....	1,570.48
Supplies, Bureau of .....	Hilsz, Carl F. ....	Ass't. Stationery Clerk ..	1,922.64
<b>Total Death Benefits Paid.....</b>			<b>\$113,537.36</b>

## VI.

## San Francisco Former School Teachers Included in Retirement System

On November 2, 1926, the people of the City and County of San Francisco adopted Charter amendment No. 34 (now known as Section 9 of Article XVII), which provides that all teachers who were retired from service in the Public Schools of San Francisco under the provisions of the Law of 1913, establishing the California Public School Teachers' Retirement Salary Fund, and who were not otherwise drawing a pension under the provisions of Article XVII, Section 8 of the Charter, bringing teachers under the San Francisco City Employees' Retirement System, shall be entitled to and shall receive retirement allowances to be calculated on the same basis as that established in the said Section 8 for determining the retirement allowances provided for in that section. The Charter amendment was approved by the Legislature on January 10, 1927, and in March, 1927, the Board of Supervisors, by resolution, made the Charter amendment effective as of May 1, 1927. On that date, as shown elsewhere in this Report, one hundred and sixty-seven former teachers became members of the Retirement System, and one hundred and sixty-one were retired immediately, six of the individuals who became members not qualifying as to age or disability for immediate retirement.

## VII.

## Membership of the Board of Administration

In accordance with Section 4, Article XVII of the Charter the members of the Retirement System held an election from January 26 to February 10, 1927, both inclusive, for the purpose of choosing two members of the Board of Administration from among the active members of the System to take the place of Thomas G. Riley, whose term of office expired February 20, 1927, and the place of Charles A. McColm, who held the term expiring February 20, 1930, but who died October 15, 1926. The ballots cast during the election were counted by the Registrar of Voters, who certified John F. Brady and

William J. Fitzgerald as being elected to membership on the Board of Administration, Mr. Fitzgerald to serve the balance of the term of Charles A. McColm and Mr. Brady to serve the five-year term expiring February 20, 1932. The membership of the Board is made up of the Chairman of the Finance Committee, Board of Supervisors; the Auditor of the City and County; three members elected from the active members of the Retirement System; a resident official of a life insurance company and an officer of a bank, both to be appointed by the Mayor. Arthur S. Holman, Manager of the Travelers Insurance Company, and DeWitt C. Treat, Vice-President and Manager of the Mission Savings Bank office of the American Trust Company, are the two officials appointed by the Mayor.

The expiration dates of the terms of the various members are as follows:

Name of Member	Expiration of Term
Arthur S. Holman.....	February 20, 1928
DeWitt C. Treat.....	February 20, 1929
Wm. J. Fitzgerald.....	February 20, 1930
John W. Rogers.....	February 20, 1931
John F. Brady.....	February 20, 1932

Supervisor James B. McSheehy, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION,  
San Francisco City Employees' Retirement System.

RALPH R. NELSON,  
Secretary-Actuary.

JOHN W. ROGERS,  
President.



REPORT

OF THE

BOARD OF ADMINISTRATION

SAN FRANCISCO CITY  
EMPLOYEES' RETIREMENT  
SYSTEM

FOR THE FISCAL YEAR ENDING  
JUNE 30, 1928

# I.

## STATEMENT OF THE INCOME AND DISBURSEMENTS DURING THE FISCAL YEAR 1927-1928 AND THE ASSETS AND LIABILITIES\* AT JUNE 30, 1928.

1.	Ledger Assets at July 1, 1927.....		\$4,337,626.98
	<b>Income</b>		
2.	Normal Contributions of Employees.....	\$ 611,223.01	
3.	Withdrawn Accumulated Contributions Redeposited .....	4,252.77	
4.	Additional Contributions of Employees.....	3,177.40	
5.	Contributions by City to Match Employees' Normal Contributions .....	611,223.01	
6.	Contribution by City to meet Prior Service Obligation .....	337,887.53	
7.	Contribution by City to Meet Administrative Expenses .....	19,014.02	
8.	Interest on Investments .....	223,983.41	
9.	Profit on Call or Sale of Securities.....	860.67	
10.	Total Income .....		1,811,621.82
11.			<u>\$6,149,248.80</u>
	<b>Disbursements</b>		
12.	Accumulated Contributions Withdrawn.....	\$ 72,596.35	
13.	Service Retirement Allowances .....	281,612.65	
14.	Disability Retirement Allowances .....	34,029.68	
15.	Death Benefits to Members' Beneficiaries.....	115,834.67	
16.	Death Benefits to Retired Members' Beneficiaries .....	2,472.05	
17.	Administrative Expenses .....	19,014.02	
18.	Amortization of Bonds .....	6,852.76	
19.	Total Disbursements .....		532,412.18
20.	Balance, as per Ledger Assets, Item 28.....		<u>\$5,616,836.62</u>
	<b>Ledger Assets</b>		
21.	Cash .....		8,312.37
22.	Bonds, Government, State and Municipal:		
	Alameda .....	\$ 264,857.26	
	Berkeley .....	6,318.27	
	California, State of .....	157,683.42	
	East Bay Municipal Utility District.....	354,486.47	
	Eureka .....	26,426.13	
	Fresno .....	113,397.86	
	John Swett Union High School District.....	52,800.45	
	Marin Municipal Water District.....	124,423.41	
	Modesto .....	23,423.10	
	Napa .....	18,349.52	
	Oakland .....	25,899.79	
	Palo Alto .....	41,897.40	
	Petaluma .....	56,645.97	
	Piedmont .....	29,232.82	
	Richmond .....	222,069.62	
	Sacramento .....	341,898.25	
	San Francisco .....	1,438,920.69	
	San Jose .....	19,931.13	
	San Mateo .....	27,343.91	
	San Rafael .....	6,462.46	
	Santa Rosa .....	60,878.54	
	Stockton .....	113,805.04	
	United States Government 4th Liberty Loan..	417,801.84	
			<u>\$3,944,953.35</u>

23. Bonds, Public Utility:		
California Water Service Corporation.....	\$ 118,457.83	
East Bay Water Co.....	237,367.58	
Los Angeles Gas & Electric Co.....	111,174.90	
Pacific Telephone & Telegraph Co.....	76,731.11	
San Joaquin Light & Power Co.....	242,863.75	
San Jose Water Works .....	69,958.38	
Southern California Edison Co.....	119,706.08	
Southern California Gas Co.....	162,211.66	
Southern Counties Gas Co.....	115,500.56	1,253,971.85
24. Bonds, Railroad		
Southern Pacific Co.....	263,497.93	263,497.93
25. Accrued Interest .....		87,447.51
26. Employees' Contributions in course of collection		11,915.14
27. Account with City and County of San Francisco .....		46,738.47
28. Total Ledger Assets, as per Balance in Item 20..		\$5,616,836.62

#### Non-Ledger Assets

29. Present Value of City's Accumulated Contributions to be Released by Death.....	39,044.61
30. Present Value of City's Accumulated Contributions to be Released by Disability Retirement .....	21,154.73
31. Total Assets .....	\$5,677,035.96

#### Liabilities\*

32. Members' Accumulated Normal Contributions....	2,602,369.94
33. Members' Accumulated Additional Contributions .....	7,580.37
34. City's Accumulated Contributions, Current Service (to match Employees' Normal Contributions) .....	2,602,369.94
35. City's Other Accumulated Contributions.....	206,593.99
36. Present Value of Service Retirement Allowances (Current Service) granted to retired members .....	172,079.48
37. Present Value of Disability Retirement Allowances (Current Service) granted to retired members .....	44,382.89
38. Ex-Members' Accumulated Contributions in Suspense .....	284.19
39. Surplus .....	41,375.16
40. Total Liabilities .....	\$5,677,035.96

**SEE SECTION II, PAGE 6, EXPLAINING ASSETS, LIABILITIES AND SURPLUS.**

#### Explanation of Financial Statement

Item 16.—This benefit was paid at the death of retired members, who elected, at the time of their retirement, to have their retirement allowances modified in accordance with Option No. 1, Section 18,

\*The Liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for Item 35. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the city has definitely assumed the liability for prior service, whatever its amount may be (Section 10, Ordinance No. 5561, New Series).

Ordinance No. 5561 (New Series). Under this option lesser retirement allowances are paid to retired members with the provision that death benefits shall be paid to their beneficiaries.

Items 22, 23, 24.—The Funds of the Retirement System are invested in United States Government Bonds, State of California Bonds, Bonds of Northern California Municipalities or School Districts, Public Utility Bonds and Railroad Bonds, as shown in the lists under these items. The municipal bonds are either direct obligations of the municipalities listed in Item 22 or of school districts which include within their boundaries one of these municipalities.

Item 26.—This item is made up of contributions from certain per diem employees on compensation earned during the last half of June, 1928. The contributions were not received by the Retirement System until after the close of the fiscal year, because of the fact that pay rolls in such cases are not completed until about July 6th.

Item 29.—The death benefit provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death (Section 19, Ordinance No. 5561, New Series). The portion of this amount which is chargeable to current service must be provided from the accumulated contributions of the City. While the Retirement System is young, therefore, and before the City's accumulated contributions held for the benefit of a deceased member is equal to this portion of the six months' compensation earnable, the amount actually paid will exceed the amount on hand for that purpose, the excess to be made up in the future by the excess of the City's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years. Credit is taken in Item 29, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1928.

Item 30.—On account of the guarantee of a minimum disability benefit under the Retirement System (Section 16, Ordinance No. 5561, New Series), the present value of such benefits granted on account of current service and chargeable against the accumulated contributions of the City, while the System is young, will exceed the amount of the City's accumulated contributions held for the benefit of the members retired for disability. As in the case of death benefits explained in the preceding paragraph, this excess will be made up in the future by the excess of the City's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 30, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Items 32-34.—Item 32, \$2,602,369.94, is the total of all normal contributions (as distinguished from additional contributions) standing



to the credit of individual members at June 30, 1928, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made, plus such additional interest as has been allowed (see Item 39 for explanation). Normal contributions are matched, dollar for dollar, by the City, as evidenced by Item 34 (Section 5, Ordinance No. 5561, New Series).

Item 33.—This item is \$7,580.37 is the total of all additional contributions standing to the credit of individual members at June 30, 1928, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made, plus such additional interest as has been allowed. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the City. The City does not match additional contributions (Section 5, Ordinance No. 5561, New Series).

Item 35.—This item of \$206,593.99 represents the city's accumulated contributions released by the withdrawal of employees of their accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligation of the City on account of prior service of members (Section 7, Ordinance No. 5561, New Series).

Items 36-37.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the footnote on page 3, no notice is taken of benefits granted or to be granted on account of prior service.

Item 38.—Included in this item are the accumulated contributions of individuals whose memberships in the Retirement System have been terminated because of their separation from city-service, but, in whose cases, due to inability to deliver, the warrants drawn in refund of the accumulated contributions have been cancelled and the amounts held in suspense.

Item 39.—The surplus of \$41,375.16 is due entirely to the fact that the interest earned plus the profit from sale or call of securities since the establishment of the Retirement System is greater than the interest credited to the members and the City on the contributions made by them. Four per cent. per annum, compounded annually, is the **regular** rate of interest allowed on all contributions from the first day of the month following that for which contributions are made.

During 1927-28, however, the Retirement Law was amended to permit the crediting each year of additional interest as justified by the earnings of the Retirement Fund. Accordingly, the Board of Administration allowed for the fiscal year ending June 30, 1928, an additional rate of 4/10 of one per cent., making the total rate for the year 4.40 per cent. It should be understood that allowing an additional rate for 1927-28 is not a guarantee, or even a promise, that any rate in addition to the 4.00 per cent. provided for in the Retirement Law will be allowed in the future. Action by the Board of Administration on the question of additional interest will be taken at the end

of each fiscal year in the light of that year's interest earnings and with due regard for the safety of the Retirement Fund. In spite, however, of the fact that the general trend of interest rates is downward, it is the hope of the Board that, for some time, additional interest in some amount can be allowed each year.

The funds of the Retirement System are invested in bonds, as listed in Items 22, 23 and 24, to yield from 4.10 to 5.35 per cent. As shown by the Statements of the Retirement System for previous fiscal years, the excess interest earned on investments has been offset in part by the facts that all the members' contributions are not received by the first day of the month following that for which contributions are made, that the City's contributions are not made until the taxes for the fiscal year are received in the Treasurer's Office and apportioned by the Auditor and Treasurer, and that a few days sometimes elapse after the receipt of the contributions before it is possible to invest them. During the fiscal year closing June 30, 1928, the interest earned in excess of 4.40 per cent., plus the profit from sale or call of bonds, was \$8,000.06, which added to the amount brought forward from the previous year gives the total of \$41,375.16 shown here.

## II.

### An Explanation as to Assets, Liabilities and Surplus

Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

Article XVII of the Charter and Ordinance No. 5561 (New Series) require that the Retirement System be established on the reserve basis, that is, that provision be made for liabilities when they are incurred instead of when they mature, a principle upon which every sound life insurance company and every sound retirement system is based. The principal cause of insolvency and inability to pay claims in the case of numerous pension funds has been the lack of a forecast of the cost of benefits provided, and consequently, the failure to make provision for meeting those costs. The City and County of San Francisco and the members of the Retirement System could not be asked to contribute to a retirement system that is not sound not only for the present but for all the future as well. A retirement system to be sound must make provision for liabilities when they are incurred instead of when they mature.

Liabilities are incurred as service is rendered to the City and County by members of the Retirement System, and assets to meet these liabilities are provided by the contributions from members deducted from compensation paid for such service and by equal contributions from the City and County. Assets equal to Members' Accumulated Contributions must be on hand at all times to meet promises to refund such contributions upon separation from City-service or death or to apply them to purchase retirement allowances upon retirement. Assets in an equal amount must be on hand for the City's Accumulated Contributions.

Every dollar in the Retirement Fund is held to meet specific liabilities. These liabilities are listed in Items 32 to 39 on Page 3 of this Report and are explained on pages 5 and 6. As long as the assets of the Retirement System are used only to meet the liabilities for which they have been set aside, the time will never come when the City and County and the members of the System will be forced to choose between providing staggering sums or allowing the System to default in payments to members.

### III.

#### MEMBERSHIP

Number of Members in Retirement System July 1, 1927....	7,128	
Number of employees who became members during fiscal year .....	889	
	<hr/>	8,017
Number of members who withdrew during fiscal year on account of separation from City-service.....	421	
Number of members who died during fiscal year.....	72	
Number of members who were retired during fiscal year....	105	598
	<hr/>	
Number of members in Retirement System June 30, 1928..	7,419	

As a result of the Court decision in Nicholl vs. City and County of San Francisco, the City Attorney rendered an opinion that employees in the following offices and departments are not subject to the provisions of the Retirement Law:

Adult Probation,  
Horticultural Commission,  
Juvenile Court, except Juvenile Detention Home,  
Public Defender,  
Superior Court.

The membership of these employees, numbering 48, in the Retirement System was terminated and the accumulated contributions standing to their credit were refunded.

## IV.

## RETIREMENT OF MEMBERS

Number receiving retirement allowances at beginning of fiscal year .....		498
Members retired for service during fiscal year at age 70....		31
Members retired for service during fiscal year at ages 62 to 69, both inclusive (after at least ten years of continuous service) .....		42
Members retired for service during fiscal year at ages 60 to 61, both inclusive (after at least thirty years of continuous service) .....		5
Members retired for disability during fiscal year (below age 62) .....		25
Beneficiaries beginning to receive allowances upon death of retired members during fiscal year.....		0
Former teachers retired under Section 9, Article XVII of the Charter .....		2
		<hr/>
		603
Retired members who died during fiscal year.....	39	
Retired members reinstated from disability retirement.....	0	
Beneficiaries who died during fiscal year.....	0	39
		<hr/>
Number receiving retirement allowances at June 30, 1928..		564
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series) included in total .....		2

The total retirement allowances and death benefits paid to retired members and their beneficiaries during the fiscal year was \$318,114.38.

Below is given a list of members retired during the fiscal year 1927-28, arranged according to the offices or departments in which they were employed, names of former teachers retired under Charter Amendment 34, adopted in November, 1926, being marked with an asterisk:

## Retired for Service

Office or Department	Name	Position	Date Retirement Became Effective
Assessor .....	Anderson, Wm. W.....	Deputy.....	Sept. 1, 1927
	Craven, James .....	Deputy.....	Dec. 1, 1927
County Clerk .....	Growney, Alfred T.....	Copyist.....	Jan. 8, 1928
	Kelly, James B.....	Asst. Reg. Clerk.....	April 7, 1928
Education, Board of.....	Bailey, Clara B.....	Teacher.....	Jan. 1, 1928
	Ball, Katherine M.....	Supervisor, Drawing.....	July 1, 1927
	Brignardello, Hortense.....	Teacher.....	Jan. 1, 1928
	Bronson, Fannie P.....	Principal.....	Oct. 1, 1927
	Burke, Walter D.....	Janitor.....	Feb. 1, 1928
	Cassidy, Katherine J.....	Teacher.....	Jan. 1, 1928
	Crocker, Hannah B.....	Teacher.....	Jan. 1, 1928
	Crowley, Mary E.....	Teacher.....	Jan. 1, 1928
	Elliott, Emma F.....	Teacher.....	Feb. 1, 1928
	Ephraim, Janette.....	Principal.....	Aug. 1, 1927
	Finnigan, Clara L.....	Teacher.....	July 1, 1927
	Frontin, Elizabeth A.....	Teacher.....	Jan. 1, 1928
	Gaffney, Mary E.....	Janitress.....	Oct. 1, 1927
	Glidden, Cora A.....	Teacher.....	July 1, 1927
	Hanley, Nora B.....	Teacher.....	July 1, 1927
	Heath, Roberta E. L.....	Teacher.....	May 20, 1928
	Herndon, Anna C.....	Teacher.....	Nov. 1, 1927
	Hobe, Sophia A.....	Teacher.....	Aug. 1, 1927
	Hogan, Helen M.....	Teacher.....	Nov. 1, 1927
	Karatar, Angele C.....	Teacher.....	Jan. 1, 1928
	Kelly, Esther.....	Janitress.....	Nov. 3, 1927
	Kelly, Margaret C.....	Teacher.....	July 1, 1927
	Lewis, Frances R.....	Principal.....	Jan. 1, 1928
	Louderback, Elizabeth.....	Teacher.....	Oct. 1, 1927
	Luis, Rose.....	Teacher.....	July 1, 1927
	Lyon, Edith H.....	Principal.....	July 1, 1927
	Maher, Julia G.....	V. Principal.....	Dec. 1, 1927
	McDonald, Julia.....	Teacher.....	Oct. 1, 1927
	McFarland, Helen F.....	Principal.....	Aug. 1, 1927
	Moran, Agnes.....	Janitress.....	Feb. 26, 1928
	Mount, Sarah F.....	Teacher.....	July 1, 1927
	Norris, Maria R.....	Secy.-Clerk.....	Nov. 1, 1927
	North, Eva H.....	Teacher.....	Sept. 1, 1927
	Parker, Marion G.....	Teacher.....	Jan. 1, 1928
	Perham, Franklin E.....	Teacher.....	Nov. 1, 1927
	Rollins, Margaret A.....	Teacher.....	Jan. 1, 1928
	Spencer, Teresa F.....	Principal.....	Jan. 1, 1928
	Stewart, Jessie M.....	Teacher.....	June 1, 1928
	Sullivan, Julia F.....	Teacher.....	Jan. 15, 1928
	Timmings, Anna C.....	Teacher.....	July 1, 1927
	*Wallace, Lillian R.....	Teacher.....	June 2, 1928
	Watson, Martha A.....	Principal.....	Jan. 1, 1928
Electricity, Dept. of.....	Doherty, James E.....	Laborer.....	April 1, 1928
Fire, Dept. of.....	Hagen, Rudolph F.....	Laborer.....	Aug. 1, 1927
Law Library .....	Deering, James H.....	Librarian.....	May 1, 1928
Park Commission.....	Cody, Thomas F.....	Laborer.....	Mar. 1, 1928
	Creaney, Thomas.....	Laborer.....	Dec. 1, 1927
	Millar, James.....	Animal Keeper.....	July 1, 1927
	Robb, James.....	Laborer.....	April 1, 1928
Public Works, Board of Administrative .....	Weidinger, John.....	Gardener.....	Aug. 1, 1927
	Gartland, John B.....	Clerk, Experienced.....	June 1, 1928
	Moriarty, John J.....	Engineer.....	Aug. 1, 1927

## Service Retirements—Continued

Office or Department	Name	Position	Date Retirement Became Effective
Building Repair .....	Bloom, John A.....	Carpenter.....	July 1, 1927
	Osgood, Charles E.....	Cement Finisher.....	Nov. 1, 1927
	Reinfeld, James W.....	Painter.....	April 1, 1928
Engineering .....	Jones, Edwards P.....	Asst. Mech. Eng.....	Feb. 1, 1928
	Tominski, Theodore A.....	Inspector.....	Dec. 1, 1927
Municipal Railway .....	Guldager, George M.....	Conductor.....	Nov. 1, 1927
	Kise, Albert C.....	Motorman.....	April 1, 1928
	Langry, Charles L.....	Motorman.....	May 14, 1928
Sewer .....	Moriarty, Garrett.....	Trackman.....	Feb. 10, 1928
	Begley, Thadeus.....	Cleaner.....	April 1, 1928
	Hunter, James H.....	Cleaner.....	Oct. 1, 1927
Street Cleaning .....	Beermann, Henry A.....	Sweeper.....	Nov. 10, 1927
	Gotelli, Lorenzo.....	Sweeper.....	Dec. 1, 1927
	Ganzert, Charles.....	Laborer.....	Mar. 1, 1928
Street Repair .....	McKeown, Dennis.....	Laborer.....	May 1, 1928
	Mock, William F.....	Laborer.....	Mar. 1, 1928
	Wynne, Daniel N.....	Laborer.....	Mar. 1, 1928
Sheriff .....	Biggio, Louis.....	Laborer.....	May 1, 1928
	Gorham, Michael J.....	Asphalt Worker.....	Aug. 1, 1927
	McKaharay, John.....	Laborer.....	Mar. 1, 1928
Supervisors .....	Hinds, Wm. A.....	Jailer.....	April 1, 1928
Treasurer .....	Mason, Haven A.....	Ass't. Clerk.....	July 16, 1927
	Greif, John J.....	Deputy.....	Nov. 1, 1927

## Retired for Disability

Education, Board of.....	Campbell, Nettie L.....	Teacher.....	Mar.	1, 1928
	Demmick, Marie F. L.....	Teacher.....	Mar.	1, 1928
	Dowling, Ethel P.....	Teacher.....	June	1, 1928
	Dworzazek, Pauline A.....	Teacher.....	May	1, 1928
	Edwards, Frances M.....	Principal.....	Aug.	1, 1927
	Gallagher, Nellie G.....	Principal.....	July	1, 1927
	Cadwalder, Edna.....	Teacher.....	July	1, 1927
	*Mark, Cecil W.....	Principal.....	Jan.	1, 1928
	McGinness, Genevieve.....	Teacher.....	Feb.	1, 1928
	Rutherford, Helen M.....	Teacher.....	Dec.	1, 1927
	Thomas, Agnes G.....	Teacher.....	Jan.	1, 1928
	Waterbury, Alice M.....	Teacher.....	Oct.	6, 1927
	Welton, May R.....	Teacher.....	Jan.	1, 1928
	Witt, Amy E.....	Teacher.....	Dec.	1, 1927
Electricity, Dept. of.....	Daley, Charles F.....	Fire Alarm Opr.....	Dec.	1, 1927
Health, Board of				
	Central Office .....	Keating, Mary E.....	Field Nurse.....	Sept.
Laguna Honda Home.....	Monaco, Louis P.....	Clerk.....	July	1, 1927
	Anderson, Margaret G.....	Cook.....	April	1, 1928
	Roche, Marshall.....	Watchman.....	Dec.	7, 1927
Public Works, Board of				
Administrative .....	Schroder, Dorothy S.....	Exp. Clerk.....	Dec.	1, 1927
Municipal Railway .....	Carter, John H.....	Conductor.....	Sept.	18, 1927
	DeGroat, George E.....	Conductor.....	Dec.	3, 1927
	Flynn, James C.....	Motorman.....	Jan.	1, 1928
	Ledden, John A.....	Conductor.....	July	16, 1927
Street Repair .....	Foley, Jeremiah.....	Cement Fin.....	May	1, 1928
	Williams, Alf. R.....	Laborer.....	April	1, 1928

## Deaths Among Retired Members

Below is given a list of retired members who died during the fiscal year 1927-28:

Name	Date of Death	Name	Date of Death
Bail, Richard .....	Aug. 9, 1927	Jones, Jeremiah .....	Dec. 24, 1927
Bigley, Jane A. ....	Dec. 4, 1927	Kane, Thomas .....	Feb. 4, 1928
Bishop, Louise M. ....	April 21, 1928	Keating, Mary E. ....	Feb. 9, 1928
Boland, Michael .....	Jan. 4, 1928	Kilmartin, Michael C. ....	Mar. 14, 1928
Bonelli, Edith M. ....	Sept. 30, 1927	Leonard, Annie J. ....	April 18, 1928
Brown, Annie M. ....	Nov. 17, 1927	Lindenbaum, Nathan .....	June 3, 1928
Buchanan, John H. ....	Feb. 6, 1928	May, Nicholas J. ....	Dec. 9, 1927
Campbell, Nettie L. ....	April 8, 1928	Newhouse, William G. ....	Feb. 22, 1928
Carter, John H. ....	Mar. 19, 1928	Parker, Arta S. ....	Oct. 1, 1927
Casey, Joseph E. ....	June 7, 1928	Patton, Thomas .....	Aug. 5, 1927
Cohen, Gertrude J. ....	Feb. 12, 1928	Pechin, Celina R. ....	Oct. 2, 1927
Corcoran, Patrick .....	June 5, 1928	Raclet, Victorine M. ....	Mar. 26, 1928
Craven, James .....	Mar. 12, 1928	Saunders, John D. ....	June 16, 1928
Dunn, George F. ....	Aug. 16, 1927	Severance, Matilda O. ....	June 17, 1928
Ely, Augustus P. ....	Jan. 2, 1928	Sheerin, Patrick .....	Nov. 14, 1927
Fitzsimon, Patrick .....	June 12, 1928	Sleeper, Mary .....	June 8, 1928
Greer, Jane E. ....	Nov. 4, 1927	Sullivan, Julia F. ....	Jan. 28, 1928
Hannon, Thomas .....	Jan. 1, 1928	Vahey, Thomas F. ....	Sept. 25, 1927
Hopkins, Patrick .....	Nov. 29, 1927	Walsh, Redmond .....	June 12, 1928
Iredale, Ella B. ....	Aug. 17, 1927		

## V.

## DEATH BENEFITS

Below is given a list of members who died during the fiscal year, including claims incurred in the previous year, but paid in 1927-1928, together with the offices or departments in which they were employed, and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
County Clerk .....	Sohlke, Gustave B. ....	Copyist .....	\$ 1,943.52
Education, Board of.....	Buttner, Violet V. ....	Teacher, died 1926-27 .....	976.83
	Connolly, Joseph A. ....	Janitor .....	1,102.77
	Ephraim, Moses A. ....	Janitor, died 1926-1927 .....	1,361.69
	Everett, Estelle B. ....	Teacher .....	Paid 1928-29 .....
	Fagan, Florence M. ....	Teacher .....	1,004.75
	Gates, Margaret H. ....	Teacher .....	1,111.25
	Hart, Eleanor I. ....	Teacher .....	1,168.61
	Kalmur, Lillie .....	Teacher .....	1,092.87
	Kohlberg, Ottillia .....	Teacher .....	1,288.07
	MacCuaig, Belle .....	Stenographer .....	1,104.29
	Mahoney, Mabel O. ....	Teacher .....	1,022.83
	Maris, Isabel F. ....	Teacher .....	1,017.94
	McCullough, Irene M. ....	Teacher .....	1,060.81
	Miller, Fred C. ....	Teacher .....	1,139.14
	Poppe, Martha H. ....	Teacher .....	1,818.46
	Venard, Elizabeth .....	Teacher .....	1,277.15
	Winchester, J. Albert.....	Teacher .....	1,192.38
Health, Board of			
Central Office .....	Brown, James E. ....	Inspector, Chief .....	2,168.38
Emergency .....	Simpson, Charles J. ....	Steward .....	1,856.40
Laguna Honda Home.....	Irish, Charles W. ....	Farmer .....	1,808.97
	Lee, Walter T. ....	Gardener .....	1,942.40
S. F. Hospital.....	Arkenburg, Frank .....	Cook .....	1,255.62
	Corrigan, William .....	Porter .....	494.96
	Freligh, Lisle P. ....	Supt. of nurses.....	1,964.02
	Gill, Thomas E. ....	Butcher-cook .....	1,698.70



## List of Death Benefits—Continued

Office or Department	Name	Position	Death Benefit
S. F. Hospital.....	Knapp, Charles F. T.....	Head Cook .....	\$ 1,158.88
	Maloney, John H.....	Orderly .....	698.39
	Meltzer, Otto J.....	Porter, died 1926-27.....	661.41
Park .....	Buss, Frederick C.....	Foreman .....	1,425.74
	Mannion, Patrick .....	Laborer .....	1,091.06
	McPherson, Daniel S.....	Laborer .....	1,252.72
	Sutherland, James .....	Laborer .....	1,215.90
	Young, Alexander M.....	Laborer .....	1,209.20
Playground .....	Doughty, Raeburn .....	Director, died 1926-27.....	672.54
Public Works, Dept. of Administrative .....	Cleland, Alexander .....	Inspector.....Paid 1928-29	.....
	Horgan, John P.....	Inspector, Chief .....	4,439.45
	Lynch, Charles V.....	Inspector .....	1,588.40
Building Repair .....	Benninger, Albert J.....	Carpenter .....	1,949.28
	Blake, Wilmot C.....	Painter .....	1,969.83
	Corliss, Thomas E.....	Painter .....	1,950.48
	Frederickson, Wm. H.....	Painter .....	2,182.80
	Murphy, John J.....	Engineer .....	2,404.04
	Schroth, Alfred .....	Carpenter .....	2,034.98
	Warren, Joseph M.....	Tinner .....	2,037.66
Engineering.....	Flynn, James H.....	Surv. Fld. Asst.....	2,206.37
	McIntosh, Raymond P.....	Hydraulic Eng. ....	3,803.40
	Phares, Augustus D.....	Surveyor .....	2,353.62
Municipal Railway .....	Callaghan, Daniel .....	Trackman .....	1,340.81
	Castro, William R.....	Trackman .....	1,353.70
	Cronin, Thomas J.....	Trackman .....	1,501.81
	Davis, Martin C.....	Conductor .....	1,400.15
	Dougherty, John M.....	Motorman .....	1,494.17
	Hassmer, Jacob E.....	Trackman .....	1,604.05
	Judge, William T.....	Conductor .....	1,115.70
	Kelly, Timothy .....	Motorman .....	1,414.01
	Milnor, Clarence H.....	Motorman, died 1926-27..	1,486.36
	Moriarty, James J.....	Conductor .....	1,356.34
	Murphy, David J.....	Motorman .....	1,490.33
	Quigley, John G.....	Blksmith Hlpr, died 1926-27	1,429.75
	Smith, Thomas M.....	Trackman .....	1,383.25
	Welsh, Edward C.....	Conductor .....	1,404.16
Sewer .....	Philbon, George G.....	Bricklayer .....	2,420.58
Street Cleaning .....	Bierwirth, Albert J.....	Foreman .....	1,534.48
	Buckley, Jerome A.....	Sweeper .....	1,374.68
	O'Donnell, Joseph F.....	Sweeper .....	1,381.34
	Taylor, Thomas C.....	Foreman .....	1,695.13
	Twomey, Matthew .....	Laborer .....	1,012.32
Street Repair .....	Briley, Perry .....	Laborer .....	1,056.87
	Christensen, Erik .....	Laborer .....	902.56
	Doyle, James .....	Asphalt Worker .....	1,627.92
	Driscoll, Edward .....	Quarry Driller .....	1,337.42
	Hennessy, William .....	Asphalt Worker .....	1,399.98
	Lind, Thomas H.....	Laborer .....	1,315.95
	McGreal, Patrick J.....	Paver .....	1,930.23
	Oates, James J.....	Laborer .....	1,465.23
	O'Donnell, Peter .....	Laborer .....	1,105.70
Tax Collector .....	Twohig, Joseph I.....	Deputy .....	2,320.79
Total Death Benefits Paid.....			\$115,834.67



## VI.

**Five Year Actuarial Investigation and Amendments  
to Ordinance**

In accordance with the provisions of Ordinance No. 5561 (New Series), the Board of Administration during the fiscal year ending June 30, 1928, caused an actuarial investigation to be made into the experience under the Retirement System during the five years ending June 30, 1927. Mr. A. H. Mowbray, Professor at the University of California and Consulting Actuary for the California State Insurance Department, was employed to supervise the investigation. A full report of this investigation together with the Consulting Actuary's Report and Ordinance No. 5561 (New Series), as amended in June, 1928, will be printed in due course for distribution to such individuals as may desire to receive copies.

Certain other amendments to the Retirement Law were made at the time the Law was being amended to carry into effect the improvements which received the approval of the Board of Administration in the light of the five year actuarial investigation and after consideration of the recommendations of the Municipal Retirement Conference which was composed of delegates from the following City employees' organizations:

Asphalt Pavers, Local No. 84,  
Building Service Employees, Int. No. 9,  
Civil Service Per Diem Men's Association,  
Engineers, Draftsmen and Architects Union,  
Municipal Civil Service Association,  
Municipal Railway Carmen's Union,  
Office Employees' Association,  
San Francisco Federation of Teachers,  
San Francisco High School Teachers' Association,  
San Francisco Teachers' Association,  
Sewermen's Association,  
Trackmen's Union, Division 687,  
United Laborers' Union No. 261.

The amendments to the Retirement Law as adopted in June, 1928, are briefly outlined as follows:

1. Amendments drawn at the request of the Finance Committee of the Board of Supervisors and providing that certain funds shall match contributions and pay prior service obligations resulting from members whose compensation is derived from those funds.

2. An amendment providing for the inclusion under the Retirement System of certain groups of individuals employed outside the City and County of San Francisco on the Hetch Hetchy project.

3. Amendments proposed by the Board of Administration merely for the purpose of clarifying the language of the Ordinance and facilitating the administration of the Retirement System, the amendments being drawn in the light of six years' experience in the administration of the System.

4. Amendments designed to improve the Retirement System, these amendments being drawn in connection with the five year actuarial investigation provided for in Subdivision (a), Section 7 of Ordinance No. 5561 (New Series). The Amendments have the following results:

(a) All service rendered prior to the establishment of the Retirement System will be considered as continuous, regardless of breaks. This does not mean that credit will be granted for time during which an individual was not actually working, continuity having to do merely with qualification for retirement and not with credit for service.

(b) Service rendered since the establishment of the Retirement System will be considered as continuous, if not interrupted by a break of more than three years. The qualifying statement as to the meaning of continuity applies here as well as under (a).

(c) Credit for prior service as defined in the Retirement Law will be granted to those individuals who have rendered such prior service, and who entered the Retirement System prior to January 1, 1928.

(d) Contributions to the System will be credited with interest in addition to the regular four per cent. heretofore provided, the total amount of interest credited in any year not to exceed the interest earned during that year. See the statement under item 39 on page 5 for further explanation.

(e) Members of the System will be permitted to retire after thirty years of continuous service, provided they have attained age fifty-seven, the retirement allowance in such cases to be discounted from age sixty-two to the age of actual retirement as already provided in the Retirement Law.

(f) Individuals can modify under Option No. 1, Section 18, only that portion of their retirement allowance purchased by their own accumulated contributions.

(g) A benefit of Five Hundred Dollars (\$500.00) will be paid at the death of each retired member to the beneficiary designated by such member.

## VII.

### **Membership of the Board of Administration**

In accordance with Section 4, Article XVII of the Charter the members of the Retirement System held an election from January 31st to February 10, 1928, both inclusive, for the purpose of choosing a member of the Board of Administration from among the active members of the System to take the place of William J. Fitzgerald, who held the term expiring February 20, 1930, but who was elected Sheriff of the City and County of San Francisco at the general election held November 8, 1927, his membership on the Board being automatically terminated. The ballots cast during the election were counted by the Registrar of Voters, who certified William H. Scott as being elected to membership on the Board of Administration to

serve the balance of the term of William J. Fitzgerald. The membership of the Board is made up of the Chairman of the Finance Committee, Board of Supervisors; the Auditor of the City and County; three members elected from the active members of the Retirement System; a resident official of a life insurance company and an officer of a bank, both to be appointed by the Mayor. Arthur S. Holman, Manager of the Travelers Insurance Company, and DeWitt C. Treat, Vice-President and Manager of the Mission Savings Bank office of the American Trust Company, are the two officials appointed by the Mayor, Mr. Holman having been reappointed upon the expiration of his term on February 20, 1928.

The expiration dates of the terms of the various members are as follows:

Name of Member	Expiration of Term
DeWitt C. Treat.....	February 20, 1929
William H. Scott.....	February 20, 1930
John W. Rogers.....	February 20, 1931
John F. Brady.....	February 20, 1932
Arthur S. Holman.....	February 20, 1933

Supervisor Franck R. Havenner, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION,  
San Francisco City Employees' Retirement System.

RALPH R. NELSON,  
Secretary-Actuary.

JOHN W. ROGERS,  
President.



# REPORT

OF THE

BOARD OF ADMINISTRATION

SAN FRANCISCO CITY  
EMPLOYEES' RETIREMENT SYSTEM

FOR THE FISCAL YEAR ENDING JUNE 30, 1929



## I.

**STATEMENT OF THE INCOME AND DISBURSEMENTS DURING  
THE FISCAL YEAR 1928-1929 AND THE ASSETS AND  
LIABILITIES\* AT JUNE 30, 1929.**

1. Ledger Assets at July 1, 1928.....		\$5,616,836.62
<b>Income</b>		
2. Normal Contributions of Employees.....	\$ 626,460.81	
3. Withdrawn Accumulated Contributions Rede- posited .....	7,636.13	
4. Additional Contributions of Employees.....	4,489.33	
5. Contributions by City to Match Employees' Nor- mal Contributions .....	626,460.81	
6. Contributions by City to Meet Prior Service Ob- ligation .....	373,077.46	
7. Contribution by City to Meet Administrative Ex- penses .....	17,916.75	
8. Interest on Investments.....	287,671.46	
9. Profit on Call or Sale of Securities.....	9.90	
10. Deposit by Beneficiary under Death Claim.....	2,433.38	
11. Total Income .....		1,946,156.03
12. .....		\$7,562,992.65
<b>Disbursements</b>		
13. Accumulated Contributions Withdrawn.....	70,467.00	
14. Service Retirement Allowances.....	317,813.42	
15. Disability Retirement Allowances.....	41,871.29	
16. Death Benefits to Members' Beneficiaries.....	143,908.35	
17. Death Benefits to Retired Members' Beneficiaries	27,755.61	
18. Administrative Expenses .....	17,916.75	
19. Amortization of Bonds.....	8,286.37	
20. Monthly Installments to Beneficiary (See Item 10) .....	421.60	
21. Total Disbursements .....		628,440.39
22. Balance, as per Ledger Assets, Item 30.....		\$6,934,552.26
<b>Ledger Assets</b>		
23. Cash .....		19,503.32
24. Bonds, Government, State and Municipal:		
Alameda .....	264,519.25	
Berkeley .....	11,883.42	
California, State of.....	215,786.07	
East Bay Municipal Utility District.....	607,599.06	
Eureka .....	70,787.20	
Fresno .....	117,675.28	
John Swett Union High School District.....	52,647.38	
Marin County .....	50,619.72	
Marin Municipal Water District.....	157,266.58	
Modesto .....	27,954.17	
Monterey County .....	56,903.78	
Napa .....	19,274.16	
Oakland .....	35,191.99	
Palo Alto .....	62,253.49	
Petaluma .....	69,967.36	
Piedmont .....	27,874.46	
Richmond .....	233,046.59	
Sacramento .....	359,572.25	
San Francisco .....	1,526,790.66	
San Jose .....	28,610.01	
San Mateo .....	33,181.12	
San Rafael .....	6,448.08	
Santa Clara .....	29,564.30	
Santa Rosa .....	62,436.05	
Stockton .....	114,596.96	
United States Government 4th Liberty Loan..	418,289.30	\$4,660,738.69



25. Bonds, Public Utility:		
California Water Service Corporation.....	144,815.49	
East Bay Water Co.....	227,022.42	
Los Angeles Gas & Electric Co.....	141,380.59	
Pacific Telephone & Telegraph Co.....	77,737.09	
San Joaquin Light & Power Co.....	365,352.39	
San Jose Water Works.....	78,979.44	
Southern California Edison Co.....	150,439.18	
Southern California Gas Co.....	217,197.44	
Southern Counties Gas Co.....	143,193.11	1,546,117.15
26. Bonds, Railroad:		
Atchison, Topeka & Santa Fe Railroad.....	60,386.94	
Southern Pacific Co.....	368,266.00	
Union Pacific Railroad.....	94,668.55	523,321.49
27. Accrued Interest .....		110,704.43
28. Employees' Contributions in course of collection .....		11,648.53
29. Account with City and County of San Francisco .....		62,518.65
30. Total Ledger Assets, as per Balance in Item 22 .....		\$6,934,552.26
<b>Non-Ledger Assets</b>		
31. Present Value of City's Accumulated Contributions to be released by Death.....		56,215.61
32. Present Value of City's Accumulated Contributions to be released by Disability Retirement....		28,129.69
33. Total Assets .....		\$7,018,897.56
<b>Liabilities*</b>		
34. Members' Accumulated Normal Contributions....	3,165,766.64	
35. Members' Accumulated Additional Contributions .....	11,035.57	
36. City's Accumulated Contributions, Current Service (to match Employees' Normal Contributions) .....	3,165,766.64	
37. City's Other Accumulated Contributions.....	279,799.59	
38. Present Value of Service Retirement Allowances (Current Service) granted to retired members .....	271,609.98	
39. Present Value of Disability Retirement Allowances (Current Service) granted to retired members .....	67,629.11	
40. Present Value of Monthly Installments not yet due (See Item 10).....	2,047.22	
41. Ex-Members' Accumulated Contributions in Suspense .....	284.19	
42. Surplus .....	54,958.62	
43. Total Liabilities .....		\$7,018,897.56

**SEE SECTION II, PAGE 8, EXPLAINING ASSETS, LIABILITIES AND SURPLUS.**

\*The liability for the payment of benefits granted or to be granted on account of prior service is not included in this statement, except for item 37. The task of checking the prior service rendered by individual members has not been completed. The exclusion of this liability does not affect the condition of the Retirement System shown in the statement, since the city has definitely assumed the liability for prior service, whatever its amount may be (Section 10, Ordinance No. 5561, New Series).

## Explanation of Financial Statement

Items 10-20-40.—In case of one death claim during the fiscal year, under which the benefit amounted to \$2,433.38, the beneficiary elected to receive the benefit in monthly installments (Section 19, Ordinance No. 5561, New Series), interest at the rate of 4 per cent. per annum, plus such additional rate as may be allowed (See Item 42 for explanation), being credited by the Retirement System on the unpaid balance. In accordance with accepted practice, the entire amount is included in Item 16 as a disbursement and shown in income Item 10 as if received from the beneficiary. Installments paid during the fiscal year are shown in Item 20 as a disbursement, and the value at June 30, 1929, of installments not yet due is carried in Item 40 as a liability.

Item 17.—The amount in this item is the sum of benefits paid at the death of those retired members, who elected, at the time of their retirement, to have their retirement allowances modified in accordance with Option No. 1, Section 18, Ordinance No. 5561 (New Series), and the benefit of \$500.00 paid at the death of each retired member. Under option No. 1, lesser retirement allowances are paid to retired members with the provision that death benefits shall be paid to their beneficiaries. Retirement allowances, however, are not reduced on account of the \$500.00 death benefit, which was provided as an additional benefit under the Retirement System by an amendment to Ordinance No. 5561 (New Series) effective July 1, 1928.

Items 24-25-26.—The funds of the Retirement System are invested in United States Government Bonds, State of California Bonds, Bonds of Northern California Municipalities or School Districts, Public Utility Bonds and Railroad Bonds, as shown in the lists under these items. The municipal bonds are either direct obligations of the municipalities listed in Item 24 or of school districts which include within their boundaries one of these municipalities.

Item 28.—This item is made up of contributions from certain employees on compensation earned during the last half of June, 1929. The contributions were not received by the Retirement System until after the close of the fiscal year, because of the fact that pay rolls in such cases are not completed until after July 1st.

Item 31.—The death benefit for members provided under the Retirement System is made up, in addition to the accumulated contributions of the deceased member, of an amount equal to the compensation earnable by the deceased member during the six months immediately preceding his death, while the death benefit for retired members is \$500.00, as already explained under Item 17 (Section 19, Ordinance No. 5561, New Series). The portion of the death benefit for members which is chargeable to current service and the death benefit for retired members are provided under the Retirement Law from accumulated contributions held to meet the obligation of the city on account of benefits that have been granted (Section 7, Ordinance No. 5561, New Series. See also the explanation under Item 37). Solely for accounting purposes, however, they are considered here to be provided from the city's accumulated contributions re-

leased by deaths of members only. While the Retirement System is young, therefore, and before the city's accumulated contributions held for the benefit of deceased members are equal to this portion of the six months' compensation earnable, plus the death benefits to retired members, the amount actually paid will exceed the amount on hand for that purpose, the excess to be made up in the future by the excess of the city's accumulated contributions over this portion of the six months' compensation earnable in the case of deaths of members who have been in the Retirement System for a number of years plus retired members' death benefits. Credit is taken in Item 31, above, for these accumulated contributions to be released in the future, only to the extent of the actual accumulated excess on account of death claims paid through June 30, 1929.

Item 32.—On account of the guarantee of a minimum disability benefit under the Retirement System (Section 16, Ordinance No. 5561, New Series), the present value of such benefits granted on account of current service and chargeable against the accumulated contributions of the city, while the System is young, will exceed the amount of the city's accumulated contributions held for the benefit of the members retired for disability, this item solely for accounting purposes being treated in the same manner as death benefits, explained in the preceding paragraph. As in the case of death benefits, this excess will be made up in the future by the excess of the city's accumulated contributions over the then present value of disability retirement allowances granted on account of current service in the case of members who have been in the Retirement System for a number of years. Credit is taken in Item 32, above, for these accumulated contributions to be released in the future, only to the extent of the excess on account of the current service disability pension granted to retired members.

Items 34-36.—Item 34, \$3,165,766.64, is the total of all normal contributions (as distinguished from additional contributions) standing to the credit of individual members at June 30, 1929, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made, plus such additional interest as has been allowed (see Item 42 for explanation). Normal contributions are matched, dollar for dollar, by the city, as evidenced by Item 36 (Section 5, Ordinance No. 5561, New Series).

Item 35.—This item of \$11,025.57 is the total of all additional contributions standing to the credit of individual members at June 30, 1929, together with interest at 4 per cent. per annum, compounded annually, from the first day of the month following that for which the contributions were made, plus such additional interest as has been allowed. Every member has the privilege of making additional contributions to provide benefits in addition to those which will be provided by his normal contributions and the equal contributions of the city. The city does not match additional contributions (Section 5, Ordinance No. 5561, New Series).

Item 37.—This item of \$279,799.59 represents the city's accumulated contributions released by the withdrawal of employees of their

accumulated contributions on account of separation from city-service. These accumulated contributions are held to meet the obligations of the city on account of benefits that have been granted and on account of prior service of members. (Section 7, Ordinance No. 5561, New Series. See also the explanation under Item 31).

Items 38-39.—These items represent the present value of service and disability retirement allowances granted on account of current service only. As explained in the footnote on page 4, no notice is taken of benefits granted or to be granted on account of prior service.

Item 41.—Included in this item are the accumulated contributions of individuals whose memberships in the Retirement System have been terminated because of their separation from city service, but, in whose cases, due to inability to deliver, the warrants drawn in refund of the accumulated contributions have been cancelled and the amounts held in suspense.

Item 42.—The surplus of \$54,958.62 is due entirely to the fact that the interest earned plus the profit from sale or call of securities since the establishment of the Retirement System is greater than the interest credited to the members and the city on the contributions made by them. Four per cent. per annum, compounded annually, is the regular rate of interest allowed on all contributions from the first day of the month following that for which contributions are made.

In accordance, however, with authority granted under the Retirement Law as amended in 1928, the Board of Administration allowed for the fiscal year ending June 30, 1929, an additional interest rate of  $\frac{4}{10}$  of one per cent., making the total rate for the year 4.40 per cent., which is the same as the rate for the fiscal year ending June 30, 1928. **It should be understood that allowing an additional rate for 1928-29 is not a guarantee, or even a promise, that any rate in addition to the 4.00 per cent. provided for in the retirement law will be allowed in the future.** Action by the Board of Administration on the question of additional interest will be taken at the end of each fiscal year in the light of that year's interest earnings and with due regard for the safety of the Retirement Fund. It is the hope of the Board, however, that, for some time, additional interest in some amount can be allowed each year.

The funds of the Retirement System are invested in bonds, as listed in Items 24, 25 and 26, to yield from 4.10 to 5.35 per cent. As shown by the Statements of the Retirement System for previous fiscal years, the excess interest earned on investments has been offset in part by the facts that all the members' contributions are not received by the first day of the month following that for which contributions are made, that the city's contributions are not made until the taxes for the fiscal year are received in the Treasurer's Office and apportioned by the Auditor and Treasurer, and that a few days sometimes elapse after the receipt of the contributions before it is possible to invest them. During the fiscal year closing June 30, 1929, the interest earned in excess of 4.40 per cent., plus the profit from sale or call of bonds, was \$13,583.46, which added to the amount brought forward from the previous year gives the total of \$54,958.62 shown here.

## II.

## An Explanation as to Assets, Liabilities and Surplus

Particular attention is called to the popular error of considering cash and securities on hand as "surplus." There is no "surplus" unless the cash and securities, plus any other assets there may be, exceed all liabilities. Just as a bank is liable for deposits and any other outstanding promises to pay, so is the Retirement System liable for accumulated contributions and promises to pay retirement allowances, and, before there can be any surplus under the Retirement System, assets equal to this liability must be provided.

Article XVII of the Charter and Ordinance No. 5561 (New Series) require that the Retirement System be established on the reserve basis, that is, that provision be made for liabilities when they are incurred instead of when they mature, a principle upon which every sound life insurance company and every sound retirement system is based. The principal cause of insolvency and inability to pay claims in the case of numerous pension funds has been the lack of a forecast of the cost of benefits provided, and consequently, the failure to make provision for meeting those costs. The City and County of San Francisco and the members of the Retirement System could not be asked to contribute to a retirement system that is not sound not only for the present but for all the future as well. A retirement system to be sound must make provision for liabilities when they are incurred instead of when they mature.

Liabilities are incurred as service is rendered to the City and County by members of the Retirement System, and assets to meet these liabilities are provided by the contributions from members deducted from compensation paid for such service and by equal contributions from the City and County. Assets equal to Members' Accumulated Contributions must be on hand at all times to meet promises to refund such contributions upon separation from city-service or death or to apply them to purchase retirement allowances upon retirement. Assets in an equal amount must be on hand for the City's Accumulated Contributions.

Every dollar in the Retirement Fund is held to meet specific liabilities. These liabilities are listed in Items 34 to 42 on page 4 of this Report and are explained on pages 5, 6 and 7. As long as the assets of the Retirement System are used only to meet the liabilities for which they have been set aside, the time will never come when the City and County and the members of the System will be forced to choose between providing staggering sums or allowing the System to default in payments to members.

## III.

## MEMBERSHIP

Number of members in Retirement System July 1, 1928.	7,419
Number of employees who became members during fiscal year .....	1,017
	<hr/> 8,436
Number of members who withdrew during fiscal year on account of separation from city-service.....	524
Number of members who died during fiscal year.....	87
Number of members who were retired during fiscal year..	112
	<hr/> 723
Number of members in Retirement System June 30, 1929	7,713

## IV.

## RETIREMENT OF MEMBERS

Number receiving retirement allowances at beginning of fiscal year .....	564
Members retired for service during fiscal year at age 70....	41
Members retired for service during fiscal year at ages 62 to 69, both inclusive (after at least ten years of continuous service) .....	38
Members retired for service during fiscal year at ages 57 to 61, both inclusive (after at least thirty years of continuous service) .....	5
Members retired for disability during fiscal year (below age 62) .....	26
Beneficiaries beginning to receive allowances upon death of retired members during fiscal year.....	1
Former teachers retired under Section 9, Article XVII of the Charter .....	2
	<hr/> 677
Retired members who died during fiscal year.....	41
Retired members reinstated from disability retirement.....	1
Beneficiaries who died during fiscal year.....	0
	<hr/> 42
Number receiving retirement allowances at June 30, 1929	635
Beneficiaries of deceased retired members who are receiving allowances under options selected in accordance with Section 18, Ordinance No. 5561 (New Series) included in total.....	3

The total retirement allowances and death benefits paid to retired members and their beneficiaries during the fiscal year was \$387,440.32.



Below is given a list of members retired during the fiscal year 1928-29, arranged according to the offices or departments in which they were employed, names of former teachers retired under Charter Amendment 34, adopted in November, 1926, being marked with an asterisk:

## Retired for Service

Office or Department	Name	Position	Date Retirement Became Effective
Auditor .....	Leary, Daniel J.....	Deputy.....	May 1, 1929
Education, Dept. of .....	Boukofsky, Rose.....	Teacher.....	Oct. 1, 1928
	Burnett, Sarah C.....	Teacher.....	Aug. 1, 1928
	Busteed, Mary W.....	Teacher.....	Jan. 1, 1929
	Cobb, Edith S.....	Teacher.....	Jan. 1, 1929
	Doyle, Margaret E.....	Teacher.....	July 1, 1928
	Dwyer, Anna M.....	Principal.....	July 1, 1928
	Eichel, William.....	Janitor.....	Feb. 1, 1929
	*Ellis, Lillian.....	"Retired Teacher".....	July 1, 1928
	Faucompre, Marie E.....	Vice-Principal.....	Jan. 1, 1929
	Faulkner, Richard D.....	Principal.....	July 1, 1928
	Harby, Rosalie.....	Teacher.....	July 1, 1928
	Hitchens, Elizabeth.....	Teacher.....	Jan. 1, 1929
	Kean, Josephine I.....	Teacher.....	July 1, 1928
	Keating, Mary E.....	Principal.....	Jan. 1, 1929
	Keith, Eliza D.....	Principal.....	Feb. 1, 1929
	Koch, Augusta.....	Janitress.....	Aug. 16, 1928
	Lalande, Alice H.....	Teacher.....	Jan. 1, 1929
	Lipman, Nettie E.....	Teacher.....	Feb. 1, 1929
	Lyons, Erin H.....	Teacher.....	Sept. 1, 1928
	McGorey, Susan.....	Teacher.....	July 1, 1928
	McHenry, John.....	Teacher.....	Dec. 1, 1928
	Millhone, Isabel.....	Teacher.....	July 1, 1928
	Morse, Nellie A.....	Teacher.....	July 1, 1928
	Riley, Eliza.....	Janitress.....	April 1, 1929
	*Rosenfeld, Flora.....	"Retired Teacher".....	July 1, 1928
	Rossiter, James J.....	Janitor.....	Mar. 1, 1929
	Roxburgh, James H.....	Shop Mechanic.....	Feb. 1, 1929
	Thompson, Roberta A.....	Vice-Principal.....	July 1, 1928
Electricity, Dept. of.....	Henzel, Edward F.....	Chief Inspector.....	Dec. 1, 1928
Health, Department of			
Central Office .....	Curtis, Henry L.....	Sanitary Inspector.....	April 1, 1929
	Laurin, Robert A.....	Food Inspector.....	Feb. 1, 1929
Emergency Service .....	Andrew, Anna E.....	Matron.....	April 1, 1929
San Francisco Hospital.....	Leukel, Christian.....	Yardman.....	May 1, 1929
	McDonald, Joseph H.....	Porter.....	Aug. 1, 1928
	O'Donnell, Coralee K.....	Instit. Nurse.....	May 16, 1929
Park Commission .....	Bailey, George A.....	Gardener.....	Mar. 1, 1929
	Breitenstein, Ed. E. W.....	Foreman.....	Dec. 1, 1928
	Gladius, Teodoro.....	Laborer.....	Nov. 1, 1928
	Gock, Albert.....	Laborer.....	Nov. 1, 1928
	Hooper, John.....	Laborer.....	Dec. 1, 1928
	Phillips, Walter.....	Foreman.....	June 1, 1929
Playground Commission .....	Ware, Frances E.....	Director.....	Jan. 1, 1929
Public Works, Dept. of			
Administrative .....	Phelps, William H.....	Chief Clk. St. Cleaning.....	May 1, 1929
Building Repair .....	Hogan, Edward M.....	Plumber.....	Nov. 1, 1928
	Johnston, Patrick J.....	Plumber.....	Nov. 1, 1928
	Seebeck, Herman M.....	Cement Finisher.....	Sept. 1, 1928
Engineering .....	Schlotzhauer, John.....	Surveyor.....	Nov. 1, 1928



## Service Retirements—Continued

Office or Department	Name	Position	Date Retirement Became Effective
Municipal Railway .....	Clark, Harry F.....	Motorman.....	Sept. 1, 1928
	Cyrus, Henry E.....	Conductor.....	May 1, 1929
	Davidson, Frank E.....	Conductor.....	Dec. 1, 1928
	Dutton, James R.....	Conductor.....	Apr. 16, 1929
	Longman, Albert.....	Motorman.....	Aug. 1, 1928
	O'Connor, Redmond.....	Trackman.....	June 1, 1929
	Saunders, Harry M.....	Carpenter.....	Jan. 1, 1929
	Stehlin, Albert F.....	Painter.....	Jan. 1, 1929
Storekeeping .....	Von der Au, George.....	Trackman.....	Apr. 1, 1929
	Campbell, James E.....	Blacksmith.....	Jan. 1, 1929
Sewer .....	Comaskey, John.....	Laborer.....	June 1, 1929
	Flaherty, James J.....	Cleaner.....	Oct. 1, 1928
	Keeley, Patrick J.....	Cribber.....	Apr. 1, 1929
	Kessler, Louis.....	Laborer.....	Dec. 1, 1928
	Martenson, Mons.....	Sewerman.....	Feb. 1, 1929
	O'Connor, Thomas J.....	Cleaner.....	July 1, 1928
Street Cleaning .....	Anderlini, Guiseppi A.....	Laborer.....	Dec. 1, 1928
	Barker, Harry.....	Sweeper.....	Nov. 4, 1928
	Currid, John.....	Laborer.....	Sept. 1, 1928
	Flanagan, Patrick J.....	Laborer.....	Jan. 3, 1929
	Hickey, James A.....	Laborer.....	May 1, 1929
	Kitchak, Samuel.....	Laborer.....	Aug. 1, 1928
	Koster, Henry.....	Laborer.....	Mar. 1, 1929
	McCarthy, Michael J.....	Laborer.....	Aug. 1, 1928
	McDonald, Basil B.....	Laborer.....	Mar. 1, 1929
	McKay, Patrick.....	Sweeper.....	April 1, 1929
	Moran, Francis.....	Watchman.....	June 1, 1929
	Mulcahy, David.....	Laborer.....	Aug. 1, 1928
	Noonan, Michael.....	Sweeper.....	April 1, 1929
	O'Brien, James K.....	Laborer.....	July 1, 1928
	Toler, Jasper N.....	Foreman.....	Dec. 1, 1928
	Vaughn, Thomas.....	Sweeper.....	Sept. 1, 1928
Street Repair .....	Glackin, Joseph.....	Laborer.....	June 1, 1929
	Healy, John.....	Laborer.....	June 1, 1929
	Kelly, William J.....	Laborer.....	Jan. 1, 1929
	O'Shea, Patrick J.....	Rammer.....	July 1, 1928
	Smith, Patrick.....	Laborer.....	Mar. 1, 1929
Recorder .....	McLane, Frank J.....	Copyist.....	July 1, 1928

## Retired for Disability

Education, Dept. of .....	Bole, Nettie .....	Janitress .....	April 1, 1929
	Brierton, Mary A. ....	Vice-Principal .....	April 1, 1929
	Byrne, Gertrude A. ....	Teacher .....	Jan. 1, 1929
	Craig, Elizabeth O. ....	Teacher .....	Feb. 1, 1929
	Deasy, Leonora M. ....	Teacher .....	Jan. 1, 1929
	Kortick, Mary A. ....	Teacher .....	Oct. 1, 1928
	Lawrence, Esther C. ....	Teacher .....	Mar. 1, 1929
	Loewi, Martha .....	Teacher .....	Oct. 16, 1928
	Mahoney, Lucy M. ....	Teacher .....	Feb. 1, 1929
	Owens, Mary A. ....	Teacher .....	Nov. 1, 1928
	White, Josephine .....	Teacher .....	Dec. 1, 1928
Electricity, Dept. of .....	Shay, John .....	Lineman .....	June 1, 1929
Health, Dept. of .....			
Central Office .....	Murphy, Mary F. ....	Field Nurse .....	Oct. 1, 1928
Emergency Service .....	Sheehan, Mary G. ....	Institutional Nurse .....	Mar. 16, 1929
San Francisco Hospital .....	Lizee, Napoleon .....	Engineer .....	Jan. 1, 1929

## Disability Retirements—Continued

Office or Department	Name	Position	Date Retirement Became Effective
Juvenile Detention Home.....	Harvey, John F.....	Asst. Superintendent .....	Dec. 1, 1928
Library, Public .....	Goldman, Belle A.....	Supt. of Branches .....	April 1, 1929
Park Commission .....	Solari, Natale .....	Gardener .....	Mar. 1, 1929
Playground Commission .....	Fowler, Charles A.....	Caretaker.....	Nov. 1, 1928
Public Works, Dept. of			
Administrative .....	Silberberg, Bernhard ..	Conslt'g. Struct'l. Engr.....	Jan. 1, 1929
Building Repair .....	Zucker, Abraham .....	Janitor .....	Dec. 1, 1928
Engineering .....	Fenton, Lawrence St. E.	Surveyor's Field Asst.....	Feb. 1, 1929
Municipal Railway .....	Cusack, John .....	Conductor.....	Apr. 16, 1929
	Jensen, Thomas .....	Conductor.....	May 1, 1929
	Wheeler, Frederick T.	Motorman.....	July 1, 1928
Sewer .....	Sparti, Antonio .....	Laborer .....	June 1, 1929

## Deaths Among Retired Members

Below is given a list of retired members who died during the fiscal year 1928-29:

Name	Date of Death	Name	Date of Death
Allan, Susannah B.....	Dec. 9, 1928	Klenk, Georg G.....	Sept. 5, 1928
Anderson, William .....	Feb. 22, 1929	Kollmyer, Kate A.....	May 3, 1929
Beirne, Arthur .....	April 4, 1929	Langstadter, Pauline .....	Aug. 23, 1928
Bloom, John A.....	May 20, 1929	Leas, Goodman C.....	Jan. 30, 1929
Blyth, William J.....	Sept. 14, 1928	Louderback, Elizabeth S.....	Aug. 12, 1928
Bradley, Charles .....	Feb. 22, 1929	Manning, Thomas .....	Oct. 17, 1928
Connor, Patrick .....	Feb. 4, 1929	Maret, Victor .....	May 5, 1929
Creaney, Thomas .....	Dec. 6, 1928	McDonald, Julia .....	Nov. 29, 1928
Crimmins, William .....	Nov. 21, 1928	Miller, James L.....	June 21, 1929
Crowe, Frank .....	Nov. 9, 1928	Miller, Sarah E.....	April 3, 1929
Daley, Charles F.....	Mar. 4, 1929	Montgomery, Pius L.....	Feb. 28, 1929
Fay, Thomas F.....	Nov. 16, 1928	O'Shaunessy, Michael C.....	Dec. 12, 1928
Flanagan, Patrick .....	Mar. 24, 1929	Powers, James .....	Mar. 15, 1929
Fosbery, George .....	Feb. 2, 1929	Quinn, John .....	Aug. 5, 1928
Glennon, William F.....	Nov. 6, 1928	Reynolds, John J.....	May 13, 1929
Gore, Alvinza E.....	Jan. 26, 1929	Rooney, Thomas .....	Aug. 12, 1928
Hackett, Eva S.....	Jan. 18, 1929	Solari, Natale .....	June 25, 1929
Holmes, Mary B.....	Sept. 12, 1928	Van Vleck, Marea.....	Jan. 24, 1929
Isaacs, Louis .....	Aug. 22, 1928	Williams, Kate F.....	Mar. 21, 1929
Kearny, Dennis .....	Mar. 7, 1929	Young, David .....	Aug. 24, 1928
Kelly, Esther .....	Aug. 10, 1928		

## Reinstatement from Disability Retirement

The following individual was reinstated during the fiscal year to active membership from disability retirement:

Name	Date of Reinstatement
Brannan, Joseph .....	April 18, 1929

## V.

## DEATH BENEFITS

Below is given a list of members who died during the fiscal year, including claims incurred in the previous year, but paid in 1928-29, together with the offices or departments in which they were employed, and the amount of death benefit received by beneficiaries named by them:

Office or Department	Name	Position	Death Benefit
Assessor .....	Braun, Charles L.....	Deputy Appraiser ..	\$ 2,433.38
County Clerk .....	Davis, Milton M.....	Chief Register Clerk...	3,092.22
	Taylor, Scarl E.....	Copyist .....	2,113.72
Education, Dept. of .....	Creede, Inez M.....	Teacher .....	592.87
	Everett, Estelle B.....	Teacher .....	1,236.22
	Fish, Ada M.....	Teacher .....	931.64
	Fitzpatrick, Hugh A.....	Janitor .....	1,558.20
	Foley, John Joseph.....	Janitor .....	1,743.06
	Love, Samuel H.....	Teacher .....	1,420.78
	Mack, Aimee M.....	Vice-Principal .....	1,934.03
	McGrath, Michael J.....	Janitor .....	1,417.32
	McInerney, Margaret V.....	Clerk .....	1,128.38
	Mendizabal, Miriam G.....	Teacher .....	1,075.01
	Peck, Clarence W.....	Teacher .....	1,170.76
	Powell, Helen P.....	Teacher .....	630.26
	Stewart, Agnes R.....	Teacher .....	1,211.14
	Webster, Sadie A.....	Teacher .....	1,266.01
	Wright, Helen B.....	Vice-Principal .....	1,567.25
Elections, Dept. of.....	Comyns, Charles J.....	Deputy .....	2,290.97
Fire Department .....	Barry, Thomas S.....	Machinist's Helper ..	1,426.44
	Cole, Richard .....	Blacksmith .....	1,761.26
	Day, Wilbert I.....	Machinist .....	2,446.77
	McGlennon, John J.....	Blacksmith .....	2,437.28
	O'Neill, William H.....	Hydrant-Gateman ..	2,088.07
Health, Dept. of			
Central Office .....	Anderson, Jennie H.....	Pediatrician .....	2,243.42
Laguna Honda Home.....	Toland, Margaret L.....	Institutional Nurse ..	1,007.39
San Francisco Hospital.....	Buntin, George Wm.....	Vegetableman .....	682.27
	Forsythe, William D.....	Telephone Operator ..	1,085.13
	Jensen, Mary A.....	Practical Nurse .....	899.90
	Kelleher, Margaret J.....	Pantrymaid .....	860.21
	Pearson, John .....	Porter .....	509.23
	Petre, Nelson A.....	Porter .....	912.10
	Smith, Margaret T.....	Manglehand .....	670.04
Library, Public .....	Flood, Mary .....	Assistant .....	645.31
Park Commission .....	Burns, Thomas E.....	Laborer .....	1,094.82
	Gill, George .....	Laborer .....	Paid 1929-30
	Kavanagh, Patrick F.....	Laborer .....	920.32
	Marx, Lawrence J.....	Foreman .....	1,615.01
	Sears, John .....	Laborer .....	741.67
Police Court .....	Gallagher, John F.....	Stenographer .....	3,167.53
	Long, Daniel W.....	Stenographer .....	3,488.68
Public Works, Dept. of			
Administrative .....	Cleland, Alexander .....	Inspector .....	Died 1927-28 1,922.33
	McCauley, John E.....	Chief Engineer .....	3,117.82

## Death Benefits—Continued

Office or Department	Name	Position	Death Benefit
Building Repair .....	Barton, Thomas F.....	Painter .....	1,988.64
	Costello, Walter .....	Cement Finisher's Helper .....	2,157.94
	McDaniel, Robert W.....	Tinner .....	2,373.95
	Spohn, Joseph H.....	Janitor .....	1,602.80
	White, Walter W.....	Janitor .....	1,421.26
Municipal Railway .....	Carbery, David J.....	Car Repairer .....	1,634.56
	Corcoran, William .....	Motorman .....	1,722.11
	Gillin, Frank W.....	Experienced Clerk .....	2,061.79
	Mahoney, Florence .....	Trackman .....	1,496.80
	Manning, Francis M.....	Conductor .....	1,219.96
	McCarthy, Timothy .....	Trackman .....	1,220.26
	McEnerney, Michael .....	Motorman .....	1,687.78
	McGhan, John W.....	Motorman .....	1,586.39
	Melander, Henry L.....	Experienced Clerk .....	2,210.58
	Murray, Thomas .....	Car Repairer .....	1,947.79
	Rodney, James D.....	Trackman .....	1,638.74
	Spitler, Burton A.....	Motorman .....	1,519.14
	Sullivan, Michael C.....	Conductor .....	1,485.28
	Sweggen, Ole, R.....	Conductor .....	1,725.16
Sewer .....	Grant, William L.....	Sewerman .....	1,362.04
	Mannix, John .....	Hodcarrier .....	2,606.31
Street Cleaning .....	McCann, James J.....	Laborer .....	1,103.07
	Paige, Edward D.....	Laborer .....	1,331.07
	Sullivan, John D.....	Chauffeur .....	1,634.81
Street Repair .....	Campbell, William H.....	Engineer .....	2,303.07
	Collins, Matthew M.....	Laborer .....	900.75
	Gillies, Hector M.....	Granite Cutter .....	2,454.64
	Harte, John R.....	Asphalt Worker .....	1,071.90
	Kapsch, Jacob .....	Laborer .....	1,638.01
	McDonald, William E.....	Laborer .....	1,004.78
	O'Brien, Robert E.....	Laborer .....	1,427.65
	Richter, Oscar F.....	Asphalt Worker .....	1,776.51
	Robbins, George J.....	Granite Cutter .....	2,038.65
	Ryan, Philip .....	Laborer .....	1,182.34
	Seike, Ernest F.....	Laborer .....	1,554.05
	Steiner, Max M.....	Laborer .....	1,275.25
Recorder .....	Wertz, William J.....	Laborer .....	1,329.40
	Bacigalupi, Giovanni .....	Copyist .....	2,006.21
	Hayes, Joseph P.....	Deputy .....	2,560.77
	Mahony, Albert B.....	Copyist .....	1,430.92
Sheriff .....	Dillon, George W.....	Keeper .....	1,276.02
	Doyle, Michael T.....	Chief Bookkeeper .....	2,435.09
	Kiley, David S.....	Chauffeur .....	2,009.29
	Postag, John N.....	Keeper .....	1,405.22
Supplies, Bureau of.....	McGovern, Michael J.....	Storekeeper .....	3,449.74
Tax Collector .....	Callaghan, James P.....	Deputy .....	2,083.64
Total Death Benefit Paid .....			\$143,908.35

### Membership of the Board of Administration

The membership of the Board is made up of the Chairman of the Finance Committee, Board of Supervisors; the Auditor of the City and County; three members elected from the active members of the Retirement System; a resident official of a life insurance company and an officer of a bank, both to be appointed by the Mayor. Arthur S. Holman, Manager of the Travelers Insurance Company, and DeWitt C. Treat, Vice-President and Manager of the Mission Savings bank office of the American Trust Company, are the two officials appointed by the Mayor, Mr. Treat having been reappointed upon the expiration of his term on February 20, 1929.

The expiration dates of the terms of the various members are as follows:

Name of Member	Expiration of Term
William H. Scott.....	February 20, 1930
John W. Rogers.....	February 20, 1931
John F. Brady.....	February 20, 1932
Arthur S. Holman.....	February 20, 1933
DeWitt C. Treat.....	February 20, 1934

Supervisor Franck R. Havenner, Chairman of the Finance Committee, and Thomas F. Boyle, Auditor, are members of the Board by virtue of their official positions.

Respectfully submitted,

BOARD OF ADMINISTRATION,  
San Francisco City Employees' Retirement System.

RALPH R. NELSON,  
Secretary-Actuary.

JOHN W. ROGERS,  
President.















